

## DOCUMENT RESUME

ED 441 564

PS 028 546

AUTHOR Schexnayder, Deanna T.; Schroeder, Daniel G.; Faliski, Katherine; McCoy, Jody

TITLE Texas Subsidized Child Care Utilization Patterns and Outcomes.

INSTITUTION Texas Univ., Austin. Center for the Study of Human Resources.

SPONS AGENCY Texas Workforce Commission, Austin.

PUB DATE 1999-06-00

NOTE 129p.

CONTRACT UTA98-0093

PUB TYPE Reports - Research (143)

EDRS PRICE EDRS Price MF01 Plus Postage. PC Not Available from EDRS.

DESCRIPTORS \*Day Care; Day Care Effects; Demography; Early Childhood Education; Employed Parents; Grants; Low Income Groups; Program Evaluation; \*State Programs; Welfare Recipients; \*Welfare Services

IDENTIFIERS Child Care Needs; \*Subsidized Child Care Services; Texas

## ABSTRACT

To learn more about families and children who have been served by the Texas Child Care Management Services (CCMS) system, this study investigated four primary questions: (1) What are the demographic characteristics of Texas families and children who have received subsidized child care services? (2) What are the subsidized child care utilization patterns for these families? (3) What are the labor market and Aid to Families with Dependent Children/Temporary Assistance for Needy Families (AFDC/TANF) outcomes for families who have received subsidized child care? and (4) How do the characteristics and outcomes for eligible families who applied for but who did not receive subsidized child care differ from those of families who received subsidized care? A longitudinal dataset was developed by linking a number of administrative data files across programs and over time; these files included CCMS data from both the Texas Workforce Commission and local CCMS offices, employment and earnings data, and AFDC/TANF recipient data. Findings included the following: (1) most child care subsidies were provided to children in five major categories--JOBS/Choices, transitional, food stamps, income-eligible, and child protective services--and children in the income-eligible group experienced the most dramatic increase in total subsidies from 1994 to 1997; (2) most children received care so that their parents could work or attend school or training, and most received their care through day care centers; (3) child care subsidies seemed to play a role in both the employment of low-income families and the decision of families to leave or remain off AFDC/TANF; and (4) eligible families who applied for but who did not receive subsidized child care fared worse in all labor market and AFDC/TANF participation measures. (Contains 59 references.) (EV)

U.S. DEPARTMENT OF EDUCATION  
Office of Educational Research and Improvement  
EDUCATIONAL RESOURCES INFORMATION  
CENTER (ERIC)

☒ This document has been reproduced as  
received from the person or organization  
originating it.

☐ Minor changes have been made to  
improve reproduction quality.

• Points of view or opinions stated in this  
document do not necessarily represent  
official OERI position or policy.

# Texas Subsidized Child Care Utilization Patterns and Outcomes

Deanna T. Schexnayder  
Daniel G. Schroeder  
Katherine Faliski  
Jody McCoy

June 1999

PERMISSION TO REPRODUCE AND  
DISTRIBUTE THIS MATERIAL IN  
MICROFORM ONLY HAS BEEN GRANTED BY

*M. Duncan*

BY THE EDUCATIONAL RESOURCES  
INFORMATION CENTER (ERIC)

2B

Center for the Study  
of Human Resources



Lyndon B. Johnson School of Public Affairs  
The University of Texas at Austin

3001 Lake Austin Blvd., Suite 3.200 Austin, TX 78703 (512) 471-7891

This report was prepared with funds provided through Interagency Cooperation Agreement #UTA98-0093 from the Texas Workforce Commission to the Center for the Study of Human Resources at The University of Texas at Austin. The views expressed here are those of the authors and do not represent the positions of the funding agency or of The University.

## Table of Contents

|                                                                                                                          |       |
|--------------------------------------------------------------------------------------------------------------------------|-------|
| List of Tables .....                                                                                                     | iii   |
| List of Figures .....                                                                                                    | iv    |
| Acknowledgments.....                                                                                                     | vii   |
| Executive Summary .....                                                                                                  | ix    |
| <br>I. Introduction.....                                                                                                 | <br>1 |
| A. Purpose of the Study .....                                                                                            | 1     |
| B. Outline of the Report .....                                                                                           | 2     |
| II. Background.....                                                                                                      | 3     |
| A. An Overview of Child Care Programs.....                                                                               | 3     |
| Federal.....                                                                                                             | 3     |
| Texas.....                                                                                                               | 5     |
| B. Child Care for Low-Income Families: A Review of the Research .....                                                    | 8     |
| III. Research Methods .....                                                                                              | 11    |
| A. Research Questions.....                                                                                               | 11    |
| B. Data Sources and Variables .....                                                                                      | 11    |
| C. Time Periods, Population, and Geography .....                                                                         | 11    |
| D. Statistical Methods.....                                                                                              | 12    |
| E. Research Limitations.....                                                                                             | 12    |
| IV. Research Results .....                                                                                               | 13    |
| A. Total Subsidies, Number of Children Served and Service Months .....                                                   | 13    |
| B. Demographic Characteristics of Families and Children Who Received<br>Subsidized Child Care .....                      | 16    |
| Family-Level Characteristics .....                                                                                       | 16    |
| Child-Level Characteristics.....                                                                                         | 17    |
| C. Child Care Utilization Patterns .....                                                                                 | 18    |
| D. Labor Market and AFDC/TANF Participation .....                                                                        | 27    |
| Employment and Earnings .....                                                                                            | 27    |
| AFDC/TANF Participation .....                                                                                            | 30    |
| E. Comparison of Families and Children Receiving Subsidized Child Care<br>to Eligible Applicants Not Receiving Care..... | 31    |
| Percent of Time During which Eligible Applicants Received Care .....                                                     | 32    |
| Percent of Children Receiving Subsidized Child Care by CCMS<br>Office .....                                              | 33    |



|                                                                                                                                             |    |
|---------------------------------------------------------------------------------------------------------------------------------------------|----|
| Comparison of Characteristics, Labor Market and AFDC/TANF<br>Receipt of CCMS Participants to Eligible Applicants Not<br>Receiving Care..... | 36 |
| V. Conclusions and Policy Implications .....                                                                                                | 41 |
| Bibliography.....                                                                                                                           | 42 |
| Appendix A: Data Sources and Statistical Methods                                                                                            |    |
| Appendix B: Detailed Statistical Results                                                                                                    |    |

## List of Tables

|                                                                                                                         |    |
|-------------------------------------------------------------------------------------------------------------------------|----|
| Table 1: Major Federal Funding Streams for Child Care .....                                                             | 4  |
| Table 2: Chronology of Key Events Related to Texas Child Care .....                                                     | 6  |
| Table 3: Total Subsidies, Children Served and Months of Service by Federal<br>Fiscal Year .....                         | 14 |
| Table 4: Characteristics of Families Receiving Subsidized Child Care Services<br>by Major Client Group in FFY1997 ..... | 17 |
| Table 5: Characteristics of Children Receiving Subsidized Child Care by<br>Major Client Group in FFY1997 .....          | 18 |
| Table 6: Average Spell of Care Within and Across Major Client Groups .....                                              | 23 |
| Table 7: Average Total Duration of Child Care Receipt .....                                                             | 24 |
| Table 8: Percent of Eligible Children Receiving Subsidized Child Care By<br>CCMS Office, June 1997 .....                | 35 |
| Table 9: Comparison of Characteristics of Eligible Applicants Receiving and<br>Not Receiving Care in FFY1997 .....      | 37 |

## List of Figures

|                                                                                                 |    |
|-------------------------------------------------------------------------------------------------|----|
| Figure 1: Total Subsidies Over Time By Major Client Group .....                                 | 15 |
| Figure 2: Distribution of Service Months Over Time By Major Client Group .....                  | 16 |
| Figure 3: Total Subsidies Per Month of Service By Major Client Group .....                      | 21 |
| Figure 4: Average Monthly Parental Co-Pay by Major Client Group .....                           | 22 |
| Figure 5: Transition Analyses .....                                                             | 26 |
| Figure 6: Percent of Time Employed by Major Client Group .....                                  | 29 |
| Figure 7: Average Quarterly Earnings of Those Employed by Major Client Group .....              | 29 |
| Figure 8: AFDC/TANF Participation by Major Client Group .....                                   | 31 |
| Figure 9: Percent of Months During Which Children of Eligible Applicants<br>Received Care ..... | 33 |
| Figure 10: Percent of Time Employed by Major Client Group .....                                 | 39 |
| Figure 11: Average Quarterly Earnings by Major Client Group .....                               | 39 |
| Figure 12: AFDC/TANF Participation by Major Client Group .....                                  | 40 |

## Acknowledgments

We would like to extend our gratitude to the agencies and individuals who assisted us during the course of this research project. In particular, we would like to thank Charlotte Brantley and Carol McDaniel of the Texas Workforce Commission (TWC) for suggesting this research topic and providing financial support for this initiative. Charlotte Brantley and Sandra Boulden served as TWC's project officers over the course of this project and provided guidance and assistance in many ways while serving in that role.

This project would not have been possible without the administrative data files contributed by TWC, local Child Care Management Services (CCMS) offices and the Texas Department of Human Services (TDHS). Sandy Anderson at TWC was instrumental in helping the project team to obtain the needed data files and to understand the nuances of the CCMS data system.

Finally, we are thankful to our colleagues at the Center for the Study of Human Resources who contributed to the completion of this project. Leslie Lawson, a former staff member, obtained and assembled the administrative data files and conducted a preliminary analysis of the research questions. Dr. Jerry Olson reviewed the analysis plan and assisted in resolving several statistical issues. Dr. Christopher King reviewed and commented on the final report. Diane Tucker managed all of the financial and contractual aspects of this project, and Karen Franke provided her expert assistance in formatting this report.

## **Executive Summary**

The cost of child care is a major barrier to its utilization for many families, especially those living in or near poverty. To help low-income families meet their child care needs, the federal government and states provide financial assistance in the form of direct child care subsidies tailored to different low-income populations. However, many low-income families do not receive subsidized child care for which they are eligible because child care funds are limited.

Federal welfare reform legislation gives states new flexibility to target child care funds to needy families. At the same time, time limits and federally imposed work participation rates for welfare recipients have increased the demand for child care. Many states, including Texas, have allocated more funds for child care subsidies to meet this increased demand for child care. In this context, it is important that states know how child care subsidies are distributed across different types of low-income families and what the consequences may be for their welfare and labor force participation.

Texas' welfare reform legislation also transferred responsibility for the management of subsidized child care funds to the Texas Workforce Commission and authorized the creation of 28 local workforce development boards (LWDBs). Beginning in the 1998 fiscal year, the LWDBs began to assume responsibility for the management of subsidized child care that had been provided through the Child Care Management Services (CCMS) system. CCMS is an integrated, automated system that has been used to manage the delivery of all subsidized child care services for eligible low-income families in Texas since 1991. As the local boards revisit many of the policies regarding the provision of subsidized child care, it is useful for them to understand how these funds have been used in prior years.

This research study by the Center for the Study of Human Resources at The University of Texas at Austin (CSHR) uses administrative data from the Texas CCMS data system for the period from October 1, 1994 through September 30, 1997 to provide a descriptive statistical analysis of the characteristics, utilization patterns, and outcomes for Texas low-income families receiving subsidized child care.

### **Research Questions**

This study investigated four primary research questions to learn more about families and children who have been served by the Texas CCMS system:

1. What are the demographic characteristics of Texas families and children who have received subsidized child care services?
2. What are the subsidized child care utilization patterns for these families?
3. What are the labor market and Aid to Families with Dependent Children/Temporary Assistance for Needy Families (AFDC/TANF) outcomes for families who have received subsidized child care?
4. How do the characteristics and outcomes for eligible families who applied for but did not receive subsidized child care differ from those for families who received subsidized care?

## **Research Methods**

To address these four research questions, CSHR researchers developed a longitudinal data set by linking a number of administrative data files across programs and over time. These data files include: CCMS data from both the Texas Workforce Commission (TWC) and local CCMS offices, employment and earnings data from Unemployment Insurance (UI) wage records maintained by TWC, and AFDC/TANF recipient data from the Texas Department of Human Services (TDHS) management information system. This report includes data for nearly all families and children who received CCMS subsidized child care in Texas between October 1994 and September 1997.<sup>1</sup>

The results presented below are primarily descriptive in nature and give a clear picture of the history of subsidized child care in Texas. However, this study does not claim to measure the impacts of any particular policy decision during the study period nor to imply cause-and-effect relationships that would require a far more sophisticated statistical research design.

## **Research Findings**

### **Total Subsidies and Total Children Served**

The total amount spent on child care subsidies through the CCMS system rose from \$148 million in FFY1994 to \$193 million in FFY1997. Total number of children served and months of service also increased over this time, although not at the same rate due to the 1996 minimum wage increase and a gradually increasing average length of care over the four-year study period.

---

<sup>1</sup> Data were unavailable for CCMS recipients in the Texarkana region.



Most child care subsidies were provided to children in five major categories:

1. JOBS/Choices, for children of AFDC/TANF recipients who were receiving training and other services to help them leave the AFDC/TANF rolls;
2. Transitional Child Care (Transitional), for children of adults who recently had left AFDC/TANF and become employed;
3. Food Stamps, including both children of Food Stamps Employment and Training (E & T) participants and other Food Stamps recipients who were eligible based on total family income;<sup>2</sup>
4. Income-Eligible, including children of families not receiving TANF or Food Stamps who were eligible on the basis of total family income;<sup>3</sup> and
5. Child Protective Services and former Child Protective Services (CPS), including children who were receiving child care either while living in their own homes or foster homes to reduce the risks of child abuse or neglect.

Children in the Income-Eligible group experienced the most dramatic increase in total subsidies from FFY1994 to FFY1997, as well as the greatest increase in the share of total months of service (from 19 percent in FFY1994 to 33 percent in FFY1997). By the end of the study period, the greatest share of child care subsidy dollars were spent for this client group. Subsidies for the Food Stamps and Transitional client groups fluctuated, but generally increased over the period of the study. Subsidies spent on JOBS/Choices and CPS families gradually declined over the entire study period.

### **Characteristics of Families and Children Receiving Subsidies**

Most families receiving child care subsidies had only one or two children in care. On average, the parents in these families were approximately 26 years old. Hispanic children accounted for approximately 39 percent of all children served in FFY1997, compared to 33 percent Black, 17 percent Anglo, and 12 percent of other or unknown race/ethnicity. The mean age of children receiving subsidized care ranged between three and four years of age across all major client groups. Over three quarters of all children served were less than 5 years old.

---

<sup>2</sup> Subsidies for children of Food Stamps Employment and Training participants made up less than one percent of the total subsidies for children of all Food Stamps recipients.

<sup>3</sup> This category includes children whose child care was funded by either Title XX, CCDBG, or Title IV-A At-Risk funds.



## Utilization Patterns

In FFY1997, the following utilization patterns were observed for families and children who received subsidized child care through CCMS:

- Most children (62 percent) received care so that their parents could work. Another 31 percent of children received care while their parents attended school or training.
- Approximately 78 percent of children received their care through child-care centers. Another seven percent were served in registered group-day homes or family homes. The remaining 15 percent of children were in unregulated care, either in the home (eight percent) or out of the home (seven percent).
- Texas families are given the option of using CCMS-approved vendors or arranging for their own care. In FFY1997, only 3 percent of families chose to arrange for their own child care rather than using CCMS vendors.
- Subsidized child care through CCMS is provided in either full-day or part-day units. Full-day care comprised two-thirds of all service units provided in FFY1997.

The average monthly payment per child for CCMS child care increased from \$224 in FFY1994 to \$247 in FFY1997, with unit rates averaging \$13.68 per child for full-day care and \$10.45 for part-day care in FFY1997. Payment for child care through the CCMS system is usually divided into two parts: subsidies paid by the state and co-payments paid by the parents of children receiving child care. Although parents of children in the JOBS/Choices and CPS categories are not assessed co-payments, forty-five percent of all families receiving care paid a portion of the cost. Of those families who contributed to child care costs, average monthly parental co-payments ranged from \$59 to \$77 throughout the four-year study period.

The average length of continuous receipt of child care without interruption (which is defined as a single spell of child care) was 6.24 months. Although a number of children transferred between client groups without interruption in care (a goal of CCMS), only one-fourth of children receiving care through CCMS experienced multiple spells of care over the four years studied. Children leaving one child care spell who eventually received care again spent an average of 5.8 months without subsidized care between child care spells. The average total duration of all spells of care was eleven months. While nearly half of all children received care for 6 months or less, about one in eight children received care for more than two years.

Approximately 42 percent of the families receiving child care subsidies remained in the same client group during the full duration of the study. Most children transitioning between spells of child care experienced a period without child care subsidies between spells.

### **Labor Market and AFDC/TANF Outcomes**

The percent of time parents of children receiving subsidized child care were employed was calculated for three time periods: the year prior to receipt of care, while receiving subsidized care, and the year following the end of the subsidy. On average, parents were employed 56 percent of the time during the year prior to receiving care, 69 percent of the time while receiving care, and 62 percent of the time in the year after termination of care. Parents receiving Transitional child care subsidies experienced the greatest increase in employment rates while receiving care, followed by lower employment rates once subsidies had ended. Similar trends were observed for parents in the Food Stamps and Income-Eligible groups. In JOBS/Choices, however, parents' employment rates did not increase significantly until the year following subsidy receipt, suggesting that a significant share of these families left AFDC/TANF and became employed.

Average quarterly earnings for families receiving child care subsidies increased from \$1,887 during the year prior to receiving subsidized care to \$2,205 while receiving subsidized care, then increased again to \$2,491 in the year after subsidies had ended.

While parents in the Income-Eligible group earned the highest quarterly earnings of all groups, employed families receiving Transitional child care showed the greatest gains in earnings over time. Contrary to the general trend, average quarterly earnings for parents receiving JOBS/Choices subsidies fell once those families were no longer receiving subsidized care.

Across all client groups, families spent 41 percent of their time on AFDC/TANF in the year prior to receiving subsidized child care. This figure dropped to 36 percent while families received subsidies, and remained at 35 percent during the year following subsidy receipt. The percent of time on AFDC/TANF varied considerably by group. Overall rates of AFDC/TANF participation were lowest for the Food Stamps and Income-Eligible groups.

Taken together, these findings suggest that child care subsidies do play a role in both the employment of low-income families and the decision of families to leave and/or remain off AFDC/TANF. However, due to the descriptive nature of this study, it is

impossible to determine which factors caused these observed relationships. Further analysis of a more sophisticated statistical nature would be needed to make such a determination.

### **Comparison of Families Receiving Subsidies to Eligible Applicants**

Subsidized child care was actually delivered in 58 percent of the months during which children were eligible to receive it, a figure which increased to 62 percent by FFY1997. Children in the Transitional or JOBS/Choices group received care the greatest proportion of time (between 74 and 87 percent over the four years studied), while children in the Income Eligible group were least likely to receive care (47-54 percent of the time). Although children in Income-Eligible families received the greatest absolute amount of child care subsidies, this group also contains the greatest share of children still waiting for services.

In June of 1997, nearly 60 percent of the children of eligible applicants actually received subsidized child care. However, the rates among individual CCMS offices varied substantially, with over 80 percent of children of eligible applicants receiving care in Victoria, Lubbock and Amarillo compared to less than 50 percent in El Paso, Pharr, Forth Worth, Denton and Odessa.

Although three-fifths of children whose families applied for subsidized child care actually received care in June 1997, only 4.4 percent of *potentially* eligible children under thirteen years of age received child care subsidies through CCMS in that same month. Receipt of care among potentially eligible children also varied substantially by CCMS office, with poor children in Wichita Falls, Dallas, Beaumont, and San Antonio being most likely to receive subsidized care and those in Pharr, Laredo, and Uvalde being least likely to obtain child care through this system.

Eligible families who applied for but did not receive subsidized child care fared worse in all labor market and AFDC/TANF participation measures. Although the factors contributing to these patterns could not be determined by these descriptive statistics, families receiving child care subsidies experienced greater employment, higher average quarterly earnings, and less time on AFDC/TANF than eligible applicants not receiving these subsidies.

## Conclusions and Policy Implications

These findings provide new information that should be particularly useful to local workforce development boards as they assume responsibility for the administration of child care subsidies in their geographic areas. Many of the policy decisions contributing to the patterns observed in this paper will be revisited as local boards assume this decision-making authority from the state. Local boards will need to juggle the needs of families currently on welfare against those of the large number of eligible low-income families not on welfare who still need child care subsidies.

Among the many findings presented here, some of the most interesting include the patterns for the groups representing the working poor: the Income-Eligible and Food Stamps client groups. Although they appear to be taking advantage of a greater share of subsidized child care services as time progresses, they still lag well behind the other groups in the proportion of eligible applicants who are actually receiving care. Moreover, the analysis of eligible families who are not receiving care suggests that these groups could show substantial employment and earnings gains if more child care subsidies were made available to them. Finally, the analysis of employment and AFDC/TANF outcomes suggest that while some employment gains may diminish when subsidies end, earnings for persons still employed continue to increase in the year after subsidy receipt.

With the changes brought about by Federal welfare reform and the current focus on serving current and former TANF recipients, it is important that policy makers understand that low-income families frequently move between welfare and low-income employment. Because subsidized child care appears to benefit both TANF and non-TANF families, local boards should closely examine the effects of proposed policy changes on all low-income families eligible for such services.

## I. Introduction

### A. Purpose of the Study

The cost of child care is a major barrier to its utilization for many families, especially those living in or near poverty.<sup>4</sup> To help low-income families meet their child care needs, the federal government and states provide financial assistance in the form of direct child care subsidies tailored to different low-income populations.<sup>5</sup> A small body of research shows that the receipt of such subsidies enables low-income families to access a broader range and higher quality of child care and increases their labor force participation.<sup>6</sup> However, there is also evidence that many low-income families do not receive the child care subsidies for which they are eligible because child care funds are limited.<sup>7</sup>

Federal welfare reform legislation gives states new flexibility to target child care assistance to needy families. At the same time, time limits and federally imposed work participation rates for welfare recipients have increased the demand for child care. In this context, it is important that states know how child care subsidies are distributed across different low-income families and what the consequences are for their welfare and labor force participation. Furthermore, an increase in the demand for child care may limit families' choices about the type and quality of care they receive. Thus, it is also helpful to examine the child care needs and arrangements of families who receive subsidized child care.

Until recently, the child care field has relied on the use of surveys, interviews, and focus groups to study these issues. A few states are beginning to use administrative data files to examine the experiences of families receiving child care subsidies.<sup>8</sup> In this study, researchers from the Center for the Study of Human Resources at The University of Texas at Austin (CSHR) conducted a descriptive statistical analysis of the characteristics,

---

<sup>4</sup> Fronstin and Wissoker, 1994; Hofferth and Wissoker, 1992.

<sup>5</sup> Gomby et al., 1996.

<sup>6</sup> Hofferth, 1995; U.S. GAO, Dec. 1994; Kimmel, 1994; Ribar, 1992; Berger and Black, 1992.

<sup>7</sup> Phillips, 1995; Ebb, 1994; U.S. Advisory Commission on Intergovernmental Relations, 1994; U.S. GAO, Sept. 1994.

<sup>8</sup> The Child Care Bureau of the U.S. Department of Health and Human Services has funded several child care research partnerships to study child care demand, supply and outcomes and to promote an integrative child care research agenda. For further information about child care research needs, see Bridgman and Phillips, 1996; and Chung and Stoney, 1997.



utilization patterns, and outcomes for low-income families receiving direct child care subsidies through Texas' Child Care Management Services (CCMS) system. CCMS is an integrated, automated system that manages the delivery of all subsidized child care services for eligible low-income families in Texas. This research study used administrative data from the CCMS system for the period from October 1, 1994 through September 30, 1997.

## **B. Outline of the Report**

This report is divided into five sections and two appendices. Section II provides an overview of federal and Texas child care programs, and highlights relevant research findings on child care for low-income families. Section III reviews the specific research questions addressed in this analysis, and summarizes the research methods and data sources used to answer those questions. Research results are presented in Section IV, while Section VI addresses the policy implications of the research findings. Appendix A, which is directed toward other researchers and statisticians, describes the data sources used to develop the research data set and discusses the statistical methods used. Appendix B provides detailed statistical results.

## II. Background

### A. An Overview of Child Care Programs

#### Federal

Of the estimated \$40 billion spent annually on child care, nearly half is spent by federal, state and local governments to assist families of various income levels in meeting their child care needs.<sup>9</sup> The federal government provides the largest share of this assistance in the form of tax-based, or indirect subsidies and expenditure-based, or direct subsidies.<sup>10</sup> Tax-based subsidies, such as the Child and Dependent Care Tax Credit (CDCTC) and the Dependent Care Assistance Program (DCAP), primarily help middle- and upper-income families recoup a portion of their child care costs and encourage employers to pay for part of these costs. Expenditure-based subsidies, which comprise three-fourths of government child care assistance, are targeted to various low-income families.

Until recently, low-income families received child care subsidies through five major funding streams.<sup>11</sup> Table 1 identifies these funding streams, when they were created, and their legislative authorization. Title XX funds, which states could spend on a number of social services including child care, were first authorized by the Social Security Amendments of 1974 and later replaced by the Social Services Block Grant (SSBG) with the passage of the Omnibus Budget Reconciliation Act of 1981. The Family Support Act of 1988 (FSA) authorized child care for Aid to Families with Dependent Children (AFDC) recipients who were employed or participating in Job Opportunities and Basic Skills (JOBS) or another approved education or training program, and Transitional Child Care (Transitional) for former AFDC recipients who became ineligible due to an increase in earnings or employment. The Omnibus Budget Reconciliation Act of 1990 authorized child care for low-income families at-risk of going

<sup>9</sup> Stoney and Greenberg, 1996; Gomby et al., 1996.

<sup>10</sup> Between 1980 and 1996, federal funding for child care doubled, and assistance to low-income families nearly tripled.

<sup>11</sup> The description of these programs was taken from Cohen, 1996; U.S. House of Representatives Committee on Ways and Means, 1996; Long and Clark, 1997; U.S. Department of Health and Human Services, Child Care Bureau, "Federal Child Care Programs in 1995." In addition, the Hunger Prevention Act, which created the Food Stamps Employment and Training (E&T) program, authorizes child care for certain participants of Food Stamps E&T. Title IV-E Foster Care and Adoption Subsidies authorizes child care payments for foster care children, and Title IV-A funds support prekindergarten programs.



on AFDC, and the Child Care Development Block Grant (CCDBG) for low-income families who work, train for work, or attend school or whose children need protective services. AFDC/JOBS, Transitional, and At-risk child care all existed under Title IV-A of the Social Security Act. Until recently, AFDC/JOBS and Transitional were considered federal entitlement programs (i.e., the federal government was obligated to match all state expenditures on the AFDC/JOBS and Transitional programs).

**Table 1: Major Federal Funding Streams for Child Care**

| <b>Funding Stream</b>                                                                 | <b>Year Created</b>                              | <b>Authorization</b>                                                    |
|---------------------------------------------------------------------------------------|--------------------------------------------------|-------------------------------------------------------------------------|
| Title XX/Social Services Block Grant                                                  | Title XX in 1974; SSBG replaced Title XX in 1981 | Title XX of the Social Services Amendments of 1974                      |
| Title IV-A Aid to Families with Dependent Children/Job Opportunities and Basic Skills | 1988                                             | Family Support Act of 1988                                              |
| Title IV-A Transitional Child Care                                                    | 1988                                             | Family Support Act of 1988                                              |
| Title IV-A At-Risk                                                                    | 1990                                             | Omnibus Budget Reconciliation Act of 1990                               |
| Child Care Development Block Grant                                                    | 1990                                             | Omnibus Budget Reconciliation Act of 1990                               |
| Child Care Development Fund                                                           | 1996                                             | Personal Responsibility and Work Opportunity Reconciliation Act of 1996 |

Source: Cohen, 1996; Long and Clark, 1997.

In 1996, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) combined AFDC/JOBS, Transitional, At-Risk and CCDBG into a new child care block grant called the Child Care Development Fund (CCDF).<sup>12</sup> While PRWORA eliminated all federal child care entitlements and placed a cap on federal child care funding, it expanded the eligibility criteria for federal child care assistance to include families who earn up to 85 percent of the state median income. Furthermore, PRWORA gave states more flexibility to manage and target child care assistance by no longer requiring states to guarantee child care for current and former welfare recipients.

At the same time, PRWORA replaced AFDC with the Temporary Assistance for Needy Families (TANF) block grant, enacted more stringent work participation requirements, and limited the amount of time recipients can receive TANF benefits to

<sup>12</sup> Long and Clark, 1997; Greenberg, 1996.

five years.<sup>13</sup> These provisions—time limits and work participation rates—are expected to increase the demand for child care as welfare recipients move into training programs and employment.<sup>14</sup>

## Texas

In Texas, the development and management of subsidized child care has changed substantially over the last ten years. Table 2 presents the chronology of key events related to subsidized child care. For the time period included in this study, the management of all subsidized child care services for low-income families was provided through the Texas CCMS system.<sup>15</sup> Beginning in 1991, most sources of federal and state child care funding were combined at the state level and funneled to 27 local CCMS contractors.<sup>16</sup> Each local CCMS office provided a central point for intake, eligibility determination, authorization of child care arrangements, and the automatic transfer between client groups as a family's eligibility status changed.<sup>17</sup> This was made possible by a comprehensive automation system that allowed each CCMS contractor to determine the funding source(s) for which a family was eligible. As a result of the CCMS system, children had more access to services, greater continuity of care, and more child care arrangements from which to choose.<sup>18</sup> Child care data were also collected and maintained in an extensive database, which benefits research in this area.<sup>19</sup>

<sup>13</sup> U.S. GAO, 1997. PRWORA reduced Title XX/SSBG funding by 15 percent for the 1996-2002 period, but it gives states the option to transfer up to 30 percent of TANF funds to the CCDBG and Title XX/SSBG.

<sup>14</sup> To comply with the federally imposed participation rates, each state was required to have 25 percent of its single-parent TANF recipients working at least 20 hours a week in 1997. By 2002, 50 percent of these welfare recipients must be working at least 30 hours a week. For two-parent families, PRWORA required a participation rate of 75 percent in 1997, rising to 90 percent by 2002. While states can choose to exempt adults with children under age six from the work requirements using an official waiver, only mothers with children under age one will be excluded from the state's work participation rates.

<sup>15</sup> Unless specifically noted, the description of the CCMS system and Texas child care policies was taken from the following sources: *Child Care and Development Fund Plan for Texas for the Period 10/1/1997 - 9/30/99*, 1997; *Child Care Recommendations*, n.d.; *Child Care Management Services Fact Sheet*, 1997; and *Child Care Management Services Contractor Manual*, n.d.

<sup>16</sup> CCMS contractors can be single agencies or consortiums consisting of local governments, community-based organizations or service providers.

<sup>17</sup> For example, families whose eligibility for Transitional care ended could be transferred to receive At-risk, Title XX or CCDBG funding as long as they continued to meet income requirements.

<sup>18</sup> Families can choose to receive child care from a vendor registered with the CCMS system or self-arranged care with another provider who is either regulated or an allowable relative. Federal guidelines require that states allow families receiving subsidized services to choose their child care arrangements.

<sup>19</sup> In tribute to the CCMS system, the Texas Department of Human Services (TDHS) received the Ford Foundation Innovation in Government Award in 1996.

**Table 2: Chronology of Key Events Related to Texas Child Care**

| Year | Major Event                                                                                                                                                                                                  |
|------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1988 | Creation of Aid to Families with Dependent Children/Job Opportunities and Basic Skills and Transitional child care client groups                                                                             |
| 1990 | Creation of Low-income Training and Working (At-Risk) child care client groups                                                                                                                               |
| 1991 | Statewide implementation of the Texas Child Care Management Services system                                                                                                                                  |
| 1995 | Enactment of Texas House Bill 1863, Texas' welfare and workforce reform legislation                                                                                                                          |
| 1996 | Administration of child care moved from Texas Department of Human Services to Texas Workforce Commission<br>Title IV-A and Child Care Development Block Grant consolidated under Child Care Development Fund |
| 1997 | Local Workforce Development Boards begin assuming responsibility for Child Care Management Services contracts                                                                                                |

Prior to 1996, the Texas Department of Human Services (TDHS) was responsible for administering all child care subsidies in Texas. In 1995, the Texas Legislature enacted House Bill (HB) 1863, the state's welfare and workforce reform legislation. This bill consolidated 28 job training, employment and related support programs including child care, under the newly created Texas Workforce Commission (TWC). It also authorized the creation of 28 local workforce development boards (LWDBs), which would receive block grants from the state to locally administer most large training programs, including child care.<sup>20</sup> TWC took control of child care funding when the agency became operational in 1996. Beginning in state fiscal year 1998, LWDBs began to assume responsibility for the management of CCMS contracts.<sup>21</sup>

Other provisions in HB 1863 affect the eligibility and demand for subsidized child care in Texas.<sup>22</sup> Although no longer required under federal law, HB 1863 still authorizes child care for AFDC/TANF families participating in JOBS and up to 12 months of transitional child care for families leaving AFDC/TANF due to an increase in earnings.<sup>23</sup>

<sup>20</sup> For additional information about the changes introduced by HB 1863, see *Building a Workforce Development System for Texas: A Funny Thing Happened on the Way to Reform*. Lyndon B Johnson School of Public Affairs, Policy Research Project Report Number 126. Austin: The University of Texas at Austin, 1997.

<sup>21</sup> Although all LWDBs are responsible for the management of CCMS contracts, some offices are not yet fully operating. Thus, CCMS offices were given one more year, as of September 1998, to delay the procurement contract by renewing their original contracts established by TDHS. As of February 1999, 24 LWDBs were managing CCMS contracts.

<sup>22</sup> In March 1996, Texas was granted a welfare waiver by U.S. Department of Health and Human Services to implement many of the provisions of HB 1863. As a result, Texas began implementing some parts of Achieving Change for Texans (ACT), which was authorized by HB 1863, in June 1996.

<sup>23</sup> Effective August 1996, the AFDC program in Texas was replaced with TANF. Effective April 1998, the state's JOBS client group was renamed Choices.

Texas also provides up to 30 days of child care to those AFDC/TANF families who have reached their time limit if they are looking for employment. However, to save limited child care funds, HB 1863 extended an exemption from participation in JOBS to parents with a child under age five effective September 1, 1995.<sup>24</sup> As of September 1, 1997, the exemption only became available to a parent with a child under age four.<sup>25</sup> Families volunteering for JOBS receive 12 months of transitional child care and are provided six months of additional child care if needed and funds are available.

HB 1863 authorizes each LWDB to specify additional groups eligible for child care subsidies within state and federal guidelines. Excluding any additional groups, subsidies currently are targeted to families with children under age 13 (or under 18 if the child has a disability) who meet one of the following eligibility conditions:

1. Children whose parents are participating in TANF employment services (Choices);
2. Children in families who lose TANF eligibility due to earnings or time limits;
3. Children in families who meet income limits and whose parents are working, attending training, or in school;
4. Children of teen parents who need child care to complete high school;
5. Children with disabilities;
6. Children whose parents are participating in Food Stamps Employment and Training (E&T);
7. Children receiving or transitioning out of child protective services (CPS); and
8. Children who are enrolled in a state prekindergarten program and whose parents are working or in training or school.

To be eligible for assistance based on income, total family monthly gross income must be at or below 150 percent of the federal poverty line or 75 percent of the state median income.<sup>27</sup> For families who are eligible through any additional eligibility criteria

---

<sup>24</sup> The term "parent" in this report refers to the adult primarily responsible for the care of a child. This could include a parent, a court-appointed caretaker or a relative.

<sup>25</sup> Prior to the FSA, Texas law authorized the exemption only in families with a child under age three.

<sup>26</sup> Although PRWORA created the CCDF block grant in 1996, Texas still receives six distinct federal child care funding streams. *Child Care Recommendations*, n.d.

<sup>27</sup> The determination of total family monthly gross income includes public assistance payments and child support collections, as well as other sources of support. However, food stamp benefits are not considered. A family may continue eligibility for one year after its income exceeds 150 percent of the federal poverty line if its income remains under 75 percent of the state median income.



set by the LWDBs, total family monthly gross income must be at or below 85 percent of state median income.

Families receiving subsidized child care are assessed a monthly fee based on their monthly gross income and size of the family. Like many other states, Texas sets parent fees as a flat amount at each step of its sliding fee scale. If one child is in care, the parent fee is 9 percent of the family's income; the fee is 11 percent if two or more children receive services. The fee is waived for parents who receive AFDC/TANF, Food Stamps E&T, Supplemental Security Income (SSI) or CPS.

Between 1994 and 1997, total annual expenditures for subsidized child care programs in Texas increased from \$196.8 million to \$237.6 million.<sup>28</sup> However, TWC estimates that less than five percent of potentially eligible children actually receive subsidized child care. Of those receiving services, about 85 percent are from families whose incomes are at or below the federal poverty line. From 1994 to 1997, between 30,000 and 40,000 children were on a waiting list for subsidized care each year.

## **B. Child Care for Low-Income Families: A Review of the Research**

A small but growing body of literature demonstrates the importance of child care to the labor force participation of parents and the education and healthy development of children.<sup>29</sup> Several studies reveal that problems with child care discourage single and married mothers from working and prevent AFDC recipients from participating in employment and training programs.<sup>30</sup> Other social science research finds that quality early care and education programs can have short- and long-term cognitive, language and social benefits for children participating in them, especially those from low-income families.<sup>31</sup> On the other hand, poor quality care, which is found across all types of care but particularly among informal care arrangements, can have modest detrimental effects on children's short-term development.<sup>32</sup> Studies suggest that poor children are at the greatest risk of harm from poor quality care.<sup>33</sup>

---

<sup>28</sup> Expenditures for 1994 were obtained from the TDHS 1996-1997 Legislative Appropriations Request. Expenditures for 1997 were obtained from TWC.

<sup>29</sup> For a review of additional child care literature, see Phillips, 1995; Phillips and Bridgman, 1995; Schexnayder and McCoy, 1996.

<sup>30</sup> Hofferth and Collins, 1997; Cattan, 1991; Kimmel, 1994; Meyers, 1993; Connelly, 1991; Connelly, 1992; Blau and Robins, 1991; U.S. GAO, 1987; Siegel and Loman, 1991.

<sup>31</sup> Barnett, 1995; Yoshikawa, 1995; NICHD, 1997.

<sup>32</sup> Galinsky et al., 1994; Phillips, 1995; Whitebrook et al., 1989; Phillips and Bridgman, 1995.

<sup>33</sup> Cost, Quality and Child Outcomes Study Team, 1995.

Low-income families, in particular, face several barriers to the utilization and choice of child care arrangements.<sup>34</sup> Affordability is a major limitation for poor families, who pay less absolutely for child care than non-poor families but may pay as much as one-quarter to one-third of their income on such care.<sup>35</sup> Availability, reliability, convenience, quality, safety and trust in providers are other problems that affect poor families' utilization of care and result in disruptions or loss in parents' participation in work or training programs.<sup>36</sup> Few child care providers operate in the evening and during weekends, although many low-income families work in the retail industry, where such nonstandard hours are common.<sup>37</sup> Shortage of formal care in less affluent neighborhoods prevents families with a lack of transportation from using center-based care. In addition, many families who live in high-crime areas or face discrimination do not feel comfortable placing their children in the care of non-relative providers.<sup>38</sup>

For all these reasons, many low-income families rely on multiple care arrangements and are more likely to use informal care, such as care by a relative or another family's at-home provider, than the more expensive center-based care.<sup>39</sup> However, there is evidence that providing child care subsidies to low-income families increases their use of center-based care.<sup>40</sup> Ninety percent of non-working poor families and 50 percent of working-poor families who use center-based care report receiving financial assistance.<sup>41</sup> As a result, low-income families who receive subsidies are able to access the same range of high-quality care that is available to higher-income families.<sup>42</sup> Research also indicates that providing such subsidies for low-income mothers would help them work.<sup>43</sup> The U.S. General Accounting Office (GAO) estimates that providing a full subsidy to mothers who pay for child care would increase the proportion of poor mothers who work from 29 to 44 percent and that of near-poor mothers from 43 to 57 percent.<sup>44</sup>

Because child care funds are limited, however, most states are far from providing financial assistance to all eligible low-income families and have long waiting lists for

---

<sup>34</sup> Phillips, 1995.

<sup>35</sup> Fronstin and Wissoker, 1994; Casper, 1995; Hofferth and Wissoker, 1992; Siegel and Loman, 1991; Hofferth, 1995; Hofferth et al., 1991.

<sup>36</sup> Meyers, 1993; Meyers, 1995; Hofferth and Collins, 1997; Siegel and Loman, 1991.

<sup>37</sup> U.S. Department of Labor, 1995; Lee, Ohlandt, and Witte, 1996; Hofferth, 1995; U.S. GAO, 1997.

<sup>38</sup> Phillips, 1995.

<sup>39</sup> Brayfield et al., 1993; IWPR, 1996; Siegel and Loman, 1991; Meyers, 1992.

<sup>40</sup> U.S. Department of Health and Human Services, 1995; Siegel and Loman, 1991; Hofferth and Wissoker, 1992.

<sup>41</sup> Hofferth, 1995.

<sup>42</sup> *ibid.*

<sup>43</sup> U.S. GAO, Dec. 1994; Kimmel, 1994; Berger and Black, 1992; Ribar, 1992.

<sup>44</sup> U.S. GAO, Dec. 1994.



subsidized care.<sup>45</sup> Limited child care funding pits the child care needs of welfare families in employment and training programs against those of working families living in or near poverty. Faced with this tradeoff, many states used CCDBG funds to serve welfare families.<sup>46</sup> Consequently, working poor families are the least likely to receive child care assistance.<sup>47</sup> Based on data from the 1990 National Child Care Survey, only 18 percent of working families with incomes at or below poverty and 12 percent of families with working-class incomes receive a direct child care subsidy.<sup>48</sup> For many working poor families, this means that the benefits of increased earnings from work are consumed by child care costs.<sup>49</sup> Competition for child care assistance is likely to intensify as states try to meet increasing work-participation rates, imposed by the federal government, for welfare recipients.

More recent studies indicate that states have increased child care funding to help meet the growing demand for subsidized care, but they are still not providing sufficient child care subsidies for all children eligible under federal guidelines.<sup>50</sup> The U.S. Department of Health and Human Services estimates that approximately 1.25 million of the 10 million children eligible for assistance under the CCDF are being served. The Urban Institute estimates that only about 48 percent of the child care needs of low-income families would be met if states maximized federal dollars available under welfare reform.<sup>51</sup>

---

<sup>45</sup> U.S. Advisory Commission on Intergovernmental Relations, 1994, Adams and Poersch, 1996.

<sup>46</sup> Ebb, 1994.

<sup>47</sup> Hofferth, 1995, Meyers and Heintz, 1997.

<sup>48</sup> Hofferth, 1995.

<sup>49</sup> Meyers and Heintz, 1997.

<sup>50</sup> U.S. GAO, 1998, Waller, 1997

<sup>51</sup> Long and Clark, 1997.

### **III. Research Methods**

As Texas devolves its subsidized child care program to one managed by 28 LWDBs, it is useful to examine the characteristics, utilization patterns and outcomes of families and children who have been served by the Texas CCMS system over the past several years. This section defines the research questions used to examine these issues. It also presents information on the data and statistical methods employed in this study. The section closes with a discussion of research limitations.

#### **A. Research Questions**

The following research questions were developed to study families and children who have been served by the Texas CCMS system:

1. What are the demographic characteristics of Texas families and children who have received subsidized child care services?
2. What are the subsidized child care utilization patterns for these families?
3. What are the labor market and welfare outcomes for families who have received subsidized child care?
4. How do the characteristics and outcomes for eligible families who applied for but did not receive subsidized child care differ from those for families who received subsidized care?

#### **B. Data Sources and Variables**

To address these four research questions, CSHR researchers developed a longitudinal data set by linking a number of administrative data files across programs and over time. These data files include: CCMS data from both TWC and local CCMS offices, employment and earnings data from Unemployment Insurance (UI) wage records maintained by the TWC, and AFDC/TANF recipient data from the TDHS management information system.

#### **C. Time Periods, Population, and Geography**

With only a few exceptions, this report covers all families and children who received CCMS subsidized child care in Texas between October 1994 and September 1997. The entire population was analyzed with the exception of recipients in the

Texarkana CCMS office for whom certain data extracts were unavailable. Additional data processing difficulties may have caused an underestimation of the caseload of the Houston CCMS office. No anomalies were observed for the other 26 regions. Complete coverage of federal fiscal year (FFY) 1997 was not possible because some local CCMS data files were unavailable beginning in July 1997. For certain research questions, FFY1997 results include the first three quarters.

#### **D. Statistical Methods**

The results presented in this report are primarily descriptive in nature. For some questions, CSHR researchers developed annual family- and child-level summaries of the CCMS caseload as a whole and by individual client group for each year being studied. As appropriate for other analyses, monthly or quarterly family- and child-level summaries of the data were created.

Since families and children may become eligible for subsidized child care for a variety of reasons, the CCMS caseload is fairly heterogeneous. Many of the analyses divide the overall CCMS caseload into the individual client group served (e.g., Income-Eligible, or Transitional) to describe differences between the sub-populations. Since eligibility status is determined at the child level and can vary over time, several categorization methods were developed for determining which client group applied to a given child or family for a given period of time. These methods are explained more fully in Appendix A.

#### **E. Research Limitations**

The primary limitation of this research is that no cause-and-effect relationships can be established. Given the descriptive nature of this study, the results give a clearer picture of the history of subsidized child care in Texas rather than reveal the effects or impacts of any particular policy decision during the study period.

Other limitations of this study are common to all studies utilizing administrative data. Gaps in the data, such as unmatched data records between agencies and missing values for some variables, are a common problem with administrative files. These gaps may be the result of different procedures used in data processing by the various agencies, data entry errors, illegible archive tapes, and inaccurate information provided by the families. Every effort was made to 'clean' the data in order to achieve an accurate database. These data cleaning efforts are described in Appendix A.

## **IV. Research Results**

This section presents results obtained from the statistical analysis of the data. Prior to answering the major research questions of this study, an analysis of the total subsidies, number of children served, and total months of service over the four-year study period is presented. A summary of the demographic characteristics and utilization patterns of families and children follows. Next, a description of labor market and AFDC/TANF participation among families, both before and after receipt of subsidized child care, is also presented. Finally, CSHR researchers examined differences in characteristics of eligible families who applied for but did not receive subsidies and those of families actually receiving such subsidies.

### **A. Total Subsidies, Number of Children Served and Service Months**

Before presenting the primary results of this study, it is useful to understand how the amount of money spent on child care subsidies, the number of children served and the total months of service have changed over time. As displayed in Table 3, total subsidies paid for child care services rose from \$148 million in FFY1994 to \$193 million in FFY1997, with the greatest increases occurring in FFYs 1995 and 1997.

Subsidy amounts cannot be discussed in isolation from levels of service provided by these subsidies. The total number of children served increased from 121,808 in FFY1994 to 140,703 in FFY1995, then dropped in FFY1996 before rising to 135,440 in FFY1997. While the total number of children served provides some indication of the capacity of the subsidized child care system, using only this measure could be misleading because a child receiving subsidized care for a day would be counted equally to a child receiving subsidized care for six months. To alleviate this problem, CSHR researchers also calculated the total service months for each fiscal year in the study. The total months of service increased between FFYs 1994 and 1995, decreased slightly between FFYs 1995 and 1996, and rose again over the remaining period of the study.

Two reasons account for the different trends across these three measures: the 1996 minimum wage increase and a gradually increasing average duration of care over the four-year study period. The minimum wage increased in 1996, which may explain why the total number of children served and total service months decreased in FFY1996 even while subsidy dollars increased slightly.

**Table 3: Total Subsidies, Children Served and Months of Service  
by Federal Fiscal Year**

| FFY  | Total subsidies<br>(millions of dollars) | Total children<br>served | Total months<br>of service |
|------|------------------------------------------|--------------------------|----------------------------|
| 1994 | \$148.1                                  | 121,808                  | 746,804                    |
| 1995 | 169.1                                    | 140,703                  | 854,841                    |
| 1996 | 170.4                                    | 131,960                  | 850,018                    |
| 1997 | 193.0                                    | 135,440                  | 897,427                    |

Fifteen different client groups were eligible to receive direct subsidized child care through the CCMS system prior to the enactment of PRWORA in 1996. Even so, most of the child care was actually provided to children in one of five major categories:

6. JOBS/Choices, for children of AFDC/TANF recipients who were receiving training and other services to help them leave the AFDC/TANF rolls;
7. Transitional Child Care (Transitional), for children of adults who recently had left AFDC/TANF and become employed;
8. Food Stamps, including both children of Food Stamps Employment and Training (E & T) participants and other Food Stamps recipients who were eligible based on total family income;<sup>52</sup>
9. Income-Eligible, including children of families not receiving TANF or Food Stamps who were eligible on the basis of total family income;<sup>53</sup> and
10. Child Protective Services and former Child Protective Services (CPS), including children who were receiving child care either while living in their own homes or foster homes to reduce the risks of child abuse or neglect.

The remaining client groups accounted for only one percent of the total months of service reported over the four years of the study.

The total subsidies used by each client group varied considerably over time (Figure 1). Children in the Income-Eligible group experienced the most dramatic increase in subsidies from FFY1994 to FFY1997, increasing from \$26 million to \$61 million during that period. By the end of the study, most child care subsidy dollars were

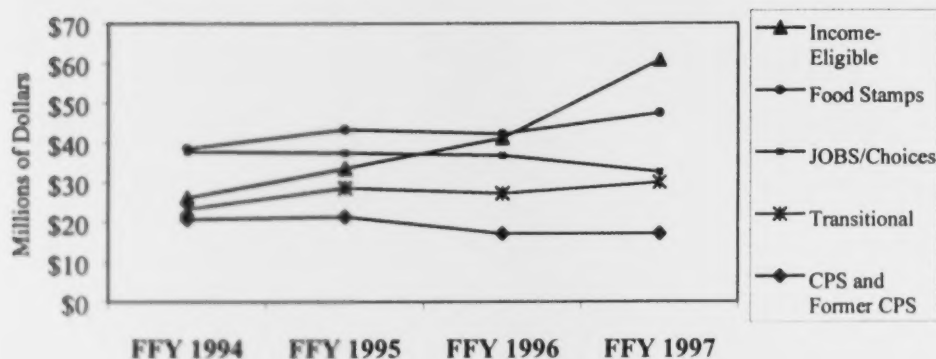
<sup>52</sup> Subsidies for children of Food Stamps Employment and Training participants made up less than one percent of the total subsidies for children of all Food Stamps recipients.

<sup>53</sup> This category includes children whose child care was funded by either Title XX, CCDBG, or Title IV-A At-Risk funds.



spent for this group. Subsidies for the Food Stamps and Transitional client groups increased between FFYs 1994 and 1995, decreased slightly between FFYs 1995 and 1996, and rose again over the remaining period of the study. Subsidies spent on JOBS/Choices and CPS families gradually declined over the entire study period.<sup>54</sup>

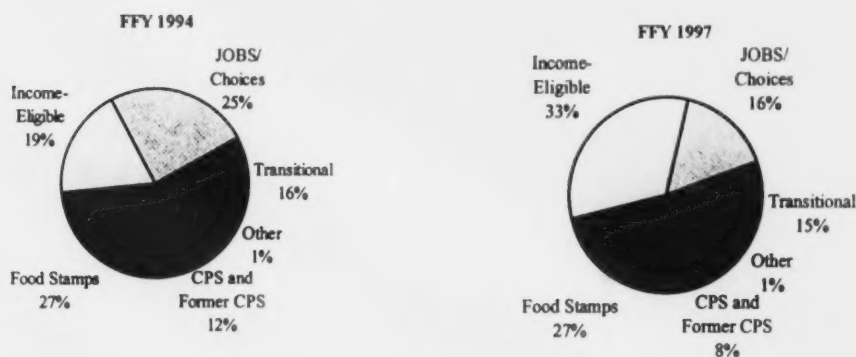
**Figure 1: Total Subsidies Over Time By Major Client Group**



The shift in subsidy allocations over time was accompanied by a similar shift in the total share of service months among the major client groups served by CCMS. As shown in Figure 2, 41 percent of service months in FFY1994 were provided to current or former AFDC/TANF recipients (JOBS/Choices and Transitional combined). By FFY1997, this figure had declined to 31 percent of all service months. Most of the increase in service months occurred for Income-Eligible families, whose share of service months grew from 19 percent in FFY1994 to 33 percent in FFY1997.

<sup>54</sup> The decline in JOBS/Choices child care subsidies can probably be attributed to several factors, including the steady decline in the Texas AFDC/TANF caseloads occurring over the study period and provisions of HB1863 which exempted AFDC parents with young children from JOBS/Choices participation.

**Figure 2: Distribution of Service Months Over Time  
By Major Client Group**



## **B. Demographic Characteristics of Families and Children Who Received Subsidized Child Care**

The following subsections highlight selected demographic characteristics of families and children who received subsidized child care across client groups and over time. While the characteristics of these families and children differ across client groups, they generally remain stable over the four years included in the study. Thus, to provide a general overview of client characteristics, Tables 4 through 6 below summarize descriptive statistics for FFY1997, even though the data are available across the entire period of the study.<sup>55</sup> Major differences in client characteristics over time will be noted in the text.

### **Family-Level Characteristics**

As shown in Table 4, most families received child care subsidies for only one or two children in care. Families with three or more children receiving subsidized child care comprised less than 20 percent of all families. On average, the parents were approximately 26 years old, with more than 80 percent of them between 18 and 34 years of age. Across all client groups, parents older than 34 comprised only 12 percent of all parents and those 17 years old or younger made up less than 8 percent of the total.

<sup>55</sup>Detailed statistics can be found in Appendix B, Tables B-5 through B-8.

**Table 4: Characteristics of Families Receiving Subsidized Child Care Services by Major Client Group in FFY1997**

| Characteristics                                           | All Cases | CPS and Former CPS | Food Stamps | Income-Eligible | JOBS/Choices | Transitional |
|-----------------------------------------------------------|-----------|--------------------|-------------|-----------------|--------------|--------------|
| Total Families                                            | 76,852    | 8,949              | 22,436      | 30,104          | 20,667       | 15,499       |
| Percent Distribution of Families                          | 100.0     | 11.6               | 29.2        | 39.2            | 26.9         | 20.2         |
| Percent Distribution by Number of CCMS-Recipient Children |           |                    |             |                 |              |              |
| 1                                                         | 49.2      | 40.9               | 38.2        | 52.7            | 47.8         | 39.9         |
| 2                                                         | 32.1      | 33.8               | 37.0        | 31.2            | 32.7         | 35.2         |
| 3 or more                                                 | 18.8      | 25.3               | 24.8        | 16.0            | 19.6         | 24.8         |
| Mean Age of Parent                                        | 26.0      | 27.0               | 27.2        | 26.2            | 24.4         | 25.6         |
| Percent Distribution by Age of Parent                     |           |                    |             |                 |              |              |
| <17                                                       | 7.5%      | 4.3%               | 1.4%        | 10.5%           | 8.7%         | 1.6%         |
| 18-24                                                     | 39.5%     | 45.2%              | 35.7%       | 33.7%           | 49.6%        | 47.7%        |
| 25-34                                                     | 41.4%     | 35.1%              | 50.7%       | 43.4%           | 33.2%        | 42.7%        |
| 35-44                                                     | 10.0%     | 9.8%               | 11.2%       | 10.9%           | 7.6%         | 7.4%         |
| 45+                                                       | 1.7%      | 5.7%               | 1.0%        | 1.4%            | 0.9%         | 0.6%         |

### Child-Level Characteristics

In Texas, larger shares of Hispanic families live in poverty than families of any other race/ethnicity. Given these demographics, one would expect the greatest number of children served by CCMS to be Hispanic. As can be seen in Table 5, this was the case, with Hispanic children accounting for approximately 39 percent of all children served in FFY1997, compared to 33 percent Black, 17 percent Anglo, and 12 percent of other or unknown race/ethnicity. Hispanics also comprised the largest share of children in the Food Stamps, Income-Eligible, and JOBS/Choices groups. Black parents receiving AFDC benefits are the most likely to leave welfare for employment and, consequently, would be expected to be the most likely to receive Transitional child care.<sup>56</sup> This

<sup>56</sup> For additional information about the employment and welfare dynamics of different ethnic groups in Texas, see Schexnayder, D. King, C., and Lawson, L., 1994.

expectation was also fulfilled, with Black children making up 39 percent of children served in Transitional child care in FFY1997, the largest share of all race/ethnic groups.

The racial/ethnic distribution of children who received subsidized child care statewide remained relatively stable over time. CPS changed from serving a larger share of Hispanic children in FFYs 1994 and 1995 to serving a larger share of Black children in FFYs 1996 and 1997. However, relatively equal proportions of Black and Hispanic children contributed to this client group over time.

The mean age of children receiving subsidized care ranged between three and four years of age across all major client groups. Over three quarters of all children served were less than 5 years old, with 43 percent being 0-2 years old and 33 percent in the 3-5 age group.

**Table 5: Characteristics of Children Receiving Subsidized Child Care by Major Client Group in FFY1997**

| Characteristics                        | All Children | CPS and Former CPS | Food Stamps | Income-Eligible | JOBS/Choices | Transitional |
|----------------------------------------|--------------|--------------------|-------------|-----------------|--------------|--------------|
| Total Children                         | 135,440      | 16,601             | 41,662      | 47,975          | 35,993       | 29,179       |
| Percent Distribution by Client Group   | 100.0        | 12.3               | 30.8        | 35.4            | 26.6         | 21.5         |
| Percent Distribution by Race/Ethnicity |              |                    |             |                 |              |              |
| Anglo                                  | 17.3         | 17.7               | 16.7        | 19.1            | 16.3         | 15.6         |
| Black                                  | 32.5         | 34.2               | 29.3        | 32.6            | 36.0         | 38.9         |
| Hispanic                               | 38.5         | 32.0               | 45.9        | 37.4            | 38.2         | 30.0         |
| Other/Unknown                          | 11.8         | 16.1               | 8.1         | 10.9            | 9.4          | 15.5         |
| Mean Age of Child                      | 3.6          | 3.3                | 4.0         | 3.6             | 3.1          | 3.6          |
| Percent Distribution by Age of Child   |              |                    |             |                 |              |              |
| 0-2                                    | 42.6         | 46.1               | 36.1        | 42.1            | 49.1         | 41.4         |
| 3-5                                    | 33.1         | 33.2               | 34.9        | 32.5            | 31.3         | 34.1         |
| 6-13                                   | 24.3         | 20.7               | 28.9        | 25.3            | 19.6         | 24.5         |

### C. Child Care Utilization Patterns

The following subsections highlight utilization patterns of families and children who received subsidized child care across client groups and over time. While the patterns of these families and children differ across client groups, they do not substantially change

over time unless otherwise noted. To provide an overview, results from FFY1997 are presented below, even though the data are available across the entire period of the study.<sup>57</sup>

### **Reason for Receipt of Child Care**

In FFY1997, 62 percent of all children received CCMS services so that the adult parents in their families could work. Another 31 percent of children received care while their parents attended school or training. While most children required care so their parents could work, the reasons for care and corresponding percentages varied by client group. For example, approximately half of the children in CPS and former CPS received care for protective purposes. In the Transitional category, 95 percent of the children required care so that their parents could work. Approximately 95 percent of the children in the JOBS/Choices category required services so their parents could attend school or training. Given that the eligibility criteria for the client groups did not drastically change from year to year, families' reasons for using care were stable over time.

### **Type of Provider**

Approximately 78 percent of children received center-based child care services in FFY1997, a percentage that decreased from 87 percent in FFY1994. Another seven percent were served in registered group-day homes or family homes. The remaining 15 percent of children received unregulated care, either in the home (eight percent) or out of the home (seven percent). Small variations were observed across the major client groups, with children in the JOBS/Choices, Food Stamps and Transitional groups less likely to be in regulated care settings than children in the CPS or Income-Eligible groups.

Families can choose to receive child care from a vendor registered with the CCMS system or self-arrange for the care with another regulated provider or an allowable relative. In FFY1997, approximately 3 percent of the children's parents arranged for child care themselves, with Income-Eligible, Food Stamps, and Transitional having the largest shares of such care (3.8, 3.4, and 2.8 percent, respectively). The percentage of families choosing to arrange for their own care increased slightly over the period of the study but still remains a very small percentage of total CCMS child care.

---

<sup>57</sup>Detailed statistics can be found in Appendix B, Tables B-9 through B-12.



### **Part-day or Full-day Care**

Units of child care within the CCMS system are purchased on a full-day or part-day basis. Full-day care comprised 66 percent of all service units provided in FFY1997. While some families received both full- and part-day care for a variety of reasons (e.g., age of children, work schedule, family composition), approximately 86 percent of families received at least some full-day care services in FFY1997. On average, families received 174 units of full-day care and 178 units of part-day care in FFY1997. However, the ratio of part-day to full-day care varied somewhat by client group.

### **Payment for Care**

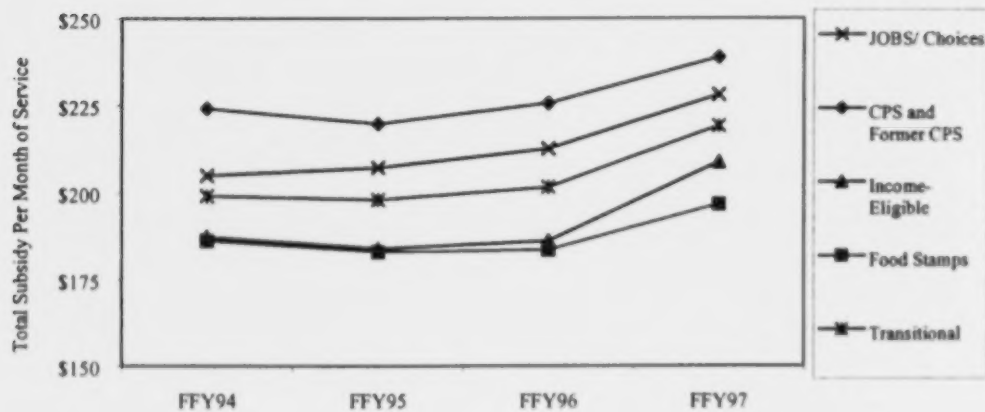
The average monthly payment per child for CCMS child care increased from \$224 in FFY1994 to \$247 in FFY1997. The state's average daily rates for child care services were \$13.68 per child for full-day care and \$10.45 for part-day care in FFY1997. The average unit rates for most of the major client groups were similar to the aggregate, with the exception of Food Stamps. The average unit rate for children in the Food Stamps client group was consistently lower than the other groups. Since children in the Food Stamps client group were somewhat older than children in other client groups, the cost for such care may be lower due to a larger share of these children being enrolled in school for a portion of the year.

Payment for child care through the CCMS system is usually divided into two parts: subsidies paid by the state and co-payments paid by the parents of children receiving child care services. Figure 3 compares the amount of state subsidy provided per service month across client groups. The highest subsidy per month of service was provided to JOBS/Choices families. Conversely, families in the Food Stamps and Income-Eligible groups received the lowest monthly subsidies of service of all client groups. The relative position of each client group remained virtually the same over time, but most groups appear to be receiving higher subsidies per service month in FFY1997.<sup>58</sup>

---

<sup>58</sup> This finding may be caused by the increase in the minimum wage occurring in FFY1996.

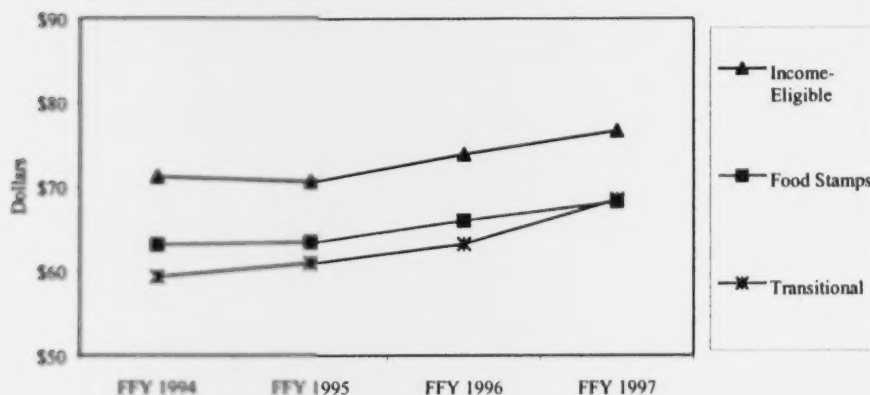
**Figure 3: Total Subsidies Per Month of Service  
By Major Client Group**



As mentioned above, many parents who receive subsidized child care are required to pay a portion of the cost—called a “co-pay.” The co-pay is based on monthly gross income and size of family. In FFY1997, parents paid a portion of child care costs for approximately 45 percent of all children receiving care. Parents of children in JOBS/Choices and CPS are not assessed a co-pay.<sup>59</sup> Of those families who contributed to their child care costs, the average monthly parental co-pay ranged from \$66 per child in FFY1994 to \$74 per child in FFY1997. As illustrated in Figure 4, the contribution from families has grown over the period of the study for most major client groups. Families from most of the major client groups paid between \$68 to \$77 monthly per child in FFY1997 for child care services.

<sup>59</sup> A small percentage of children in these categories appeared to have parental co-pays assessed. The two percent of JOBS/Choices children with co-pays probably result from data-entry errors. The five percent of children in the CPS category with co-pays are probably due to the inclusion of former CPS recipients in this group.

**Figure 4: Average Monthly Parental Co-Pay by Major Client Group**



#### **Length of Subsidized Child Care Receipt**

To better understand the length of children's subsidized care receipt, average spell lengths and total duration of care across the entire four-year study period were computed. In the following analyses, a spell of subsidized child care across all groups is defined as the total months of continuous receipt of child care without interruption. A spell ended if a child spent an entire calendar month without receiving subsidized care. A spell of receipt for each individual client group ended either if a child transferred to a different client group – a desired objective under the CCMS 'continuity of care' provision – or left all types of subsidized care for at least a month.<sup>60</sup>

Table 6 presents the average length of completed, uninterrupted spells of subsidized child care within and across client groups. Within a given client group, spells of uninterrupted assistance were fairly short, ranging from four to less than six months. For example, although children in the Transitional category are potentially eligible to receive care for up to 12 months, the results indicate that the unbroken spell of such care averaged only 5.6 months.

<sup>60</sup> While it is possible that children leaving subsidized child care provided through the CCMS system could have enrolled in other forms of subsidized care (e.g., Head Start), analysis of these types of transitions was not possible with the data available for this report.

**Table 6: Average Spell of Care Within and Across Major Client Groups**

| Major Client Group      | Avg. Spell (months) |
|-------------------------|---------------------|
| CPS and Former CPS only | 4.65                |
| Food Stamps E & T only  | 5.94                |
| Income-Eligible only    | 5.46                |
| JOBS/Choices only       | 4.43                |
| Transitional only       | 5.60                |
| Across All groups       | 6.24                |

Although these average spell lengths within client groups may seem low, they actually underestimate the length of uninterrupted child care receipt because they do not reflect children's movement from one client group to another. As mentioned above, one of the goals of the CCMS system is to seek alternate funding when children's or families' eligibility changes. This goal seeks to assure that children may continue receiving care from the same provider whenever possible. When the calculation of spell lengths is broadened to include children who transferred from one eligibility type to another without a significant interruption in care, children's average spells of subsidized care increased to 6.24 months. When a spell of care receipt came to an end, those children who eventually received care again spent an average of 5.8 months without subsidized care. Nearly three-fourths of the children receiving care had only one spell of child care receipt throughout the four years of the study.

While average spell lengths provide one view of children's receipt of subsidized care, the picture is incomplete if we do not consider the duration, or the total number of months for which a child received care regardless of interruptions. Table 7 presents two different measures of the average total duration of child care receipt across the four years of the study. The first measure of duration counts all spells, whether completed or not, while the second method sums only completed spells. Incomplete spells refer to those spells in which children received care in either the first or last month of the four-year study, and thus the start or end dates for these spells cannot be determined. Given that a substantial proportion of clients (41.4 percent) had at least one incomplete spell, the duration estimate that counts all spells is a better estimate of the average total duration of child care receipt during the four-year study.

Using the method described above, children received care for an average total duration of more than eleven months.<sup>61</sup> While nearly half of all children (44.8 percent) received care for 6 months or less, about one in eight children (12.2 percent) received care for more than two years.

**Table 7: Average Total Duration of Child Care Receipt**

| Average Total Duration                             | All Spells | Completed Spells Only |
|----------------------------------------------------|------------|-----------------------|
| Average Duration (months)                          | 11.21      | 7.92                  |
| Percent Distribution of Average Total Duration     |            |                       |
| 6 months or less                                   | 44.8       | 55.8                  |
| 7 -12 months                                       | 23.7       | 24.0                  |
| 13-24 months                                       | 19.3       | 16.1                  |
| 25 or more months                                  | 12.2       | 4.1                   |
| Average number of spells per child                 | 1.35       | 1.27                  |
| Percent Distribution of number of spells per child |            |                       |
| 1 spell                                            | 74.2       | 78.2                  |
| 2 spells                                           | 19.0       | 16.9                  |
| 3 or more spells                                   | 6.8        | 4.9                   |

### Transitions Between Client Groups

Low-income children move between receiving and not receiving subsidized child care for a variety of reasons. For example, due to a factory closing, a family member could take a lower paying job, making their child eligible for subsidized child care. Another family may have a child eligible for subsidized child care, but did not receive care because a waiting list existed. Other children could move from one client group to another as their family's eligibility changes. In such a scenario, a single parent on TANF could receive subsidized child care while she completed JOBS/Choices training. Once she secured a job and stopped receiving TANF benefits, she would no longer be eligible for JOBS/Choices child care but could then receive subsidized child care for 12 months through the Transitional category.

Figure 5 tracks the movement of children over time between types of eligibility. The first five diagrams each focus on one eligibility group, and show the transitions

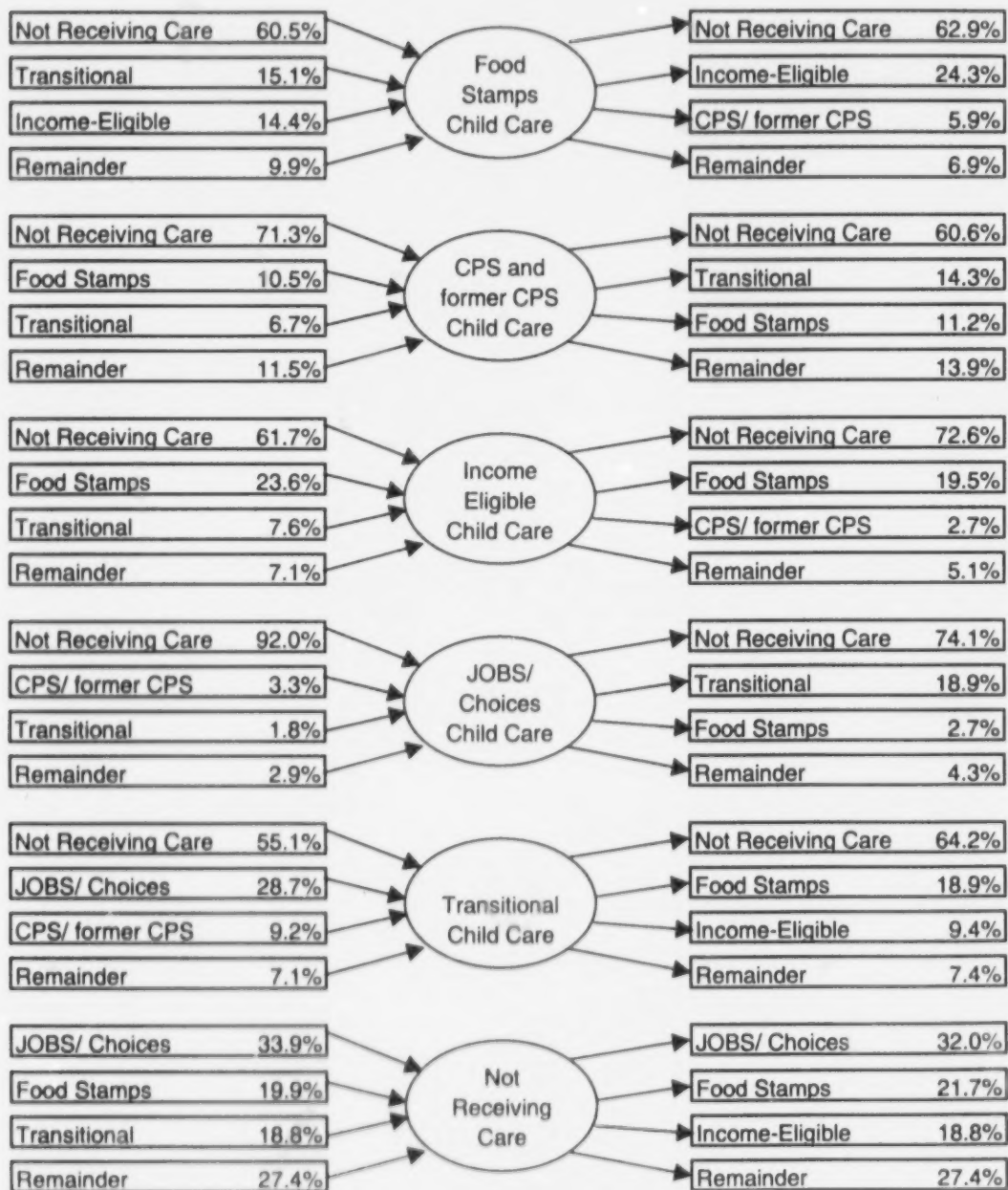
<sup>61</sup> This calculation still underestimates children's lifetime duration of subsidized child care receipt. Due to the decision to use only simple descriptive statistics in this study, no statistical adjustments were made to correct for the left-censoring or right-censoring of incomplete spells.



immediately prior to and directly after receiving care through that group. For example, the first diagram shows that of those children receiving subsidized care through Food Stamps, 60.5 percent were not receiving care immediately prior to entering, 15.1 percent were receiving care through Transitional, and 14.4 percent through the Income-Eligible client group. The remaining 9.9 percent of entering children were receiving subsidized care through one of the other client groups before entering Food Stamps. At the end of a spell of care receipt through the Food Stamps client group, 62.9 percent of children transferred to a spell of no care receipt. Another 24.3 percent of children exiting the Food Stamps group subsequently received care through the Income-Eligible group, and 5.9 percent through the CPS and Former CPS client group. The remaining 6.9 percent of these children transferred directly from Food Stamps to one of the other client groups. The second through fifth diagrams in this figure can be interpreted in a similar manner. The final diagram focuses on periods spent without child care, and tracks the client groups from which children were receiving care immediately prior to and after experiencing a spell without care.

The results indicate that most children transfer from not receiving, to receiving subsidized care, and finally to not receiving care again. This pattern occurred even for types of eligibility – such as Transitional – for which one might expect children to transfer directly from another eligibility type. For example, more than half of those children who received subsidized care through the Transitional category did not receive care in another group immediately before entering this client group. Since Transitional child care aims to assist those families moving from welfare to work, one might expect a higher percentage of children who received Transitional child care to have entered from the JOBS/Choices client group. However, only 28.7 percent of those children who entered the Transitional category came directly from JOBS/Choices, probably because a large share of AFDC/TANF recipients left for employment without ever participating in the JOBS/Choices program. Similarly, from the JOBS/Choices diagram it is apparent that 74.1 percent of the children exiting from this client group experienced a spell without any care immediately following their exit, while only 18.9 percent moved directly to the Transitional group. This suggests that most adults receiving child care while enrolled in the JOBS/Choices program either left the program but remained on the AFDC/TANF rolls or did not continue to receive subsidized child care after becoming employed.

Figure 5: Transition Analyses



For the five major client groups included in Figure 5, CSHR analyzed the patterns of receipt for children whose care had ended to determine if they re-entered the CCMS system at a later date. A substantial portion of these children received no further services before the end of the study period, which confirms the earlier finding that 75 percent of children experienced only one spell of care during the study period.<sup>62</sup>

#### **D. Labor Market and AFDC/TANF Participation**

The following subsections analyze labor market and AFDC/TANF participation for families who received subsidized child care during the study period.<sup>63</sup> These measures are tracked over three distinct phases of a family's history—the year prior to receipt of child care subsidies, the period while receiving subsidies, and the year after subsidy receipt ends—to gain a better understanding of the relationship between these measures and the receipt of child care subsidies. In order to clearly delineate the periods prior to and following receipt of child care subsidies as periods in which no subsidies were received, it was necessary to divide CCMS cases into two groups: those receiving child care in only one client group and those transferring between groups. Approximately 42 percent of the families receiving child care subsidies remained in the same client group during the full duration of the study. The remaining group, which consisted of the 58 percent of families who moved from one client group to another as their eligibility status changed, is labeled 'multiple eligibility types' in the following analysis.

#### **Employment and Earnings**

Figure 6 summarizes the percent of time that parents in CCMS families were employed during the four-year study period.<sup>64</sup> For all families receiving subsidies, the percent of time parents were employed increased during the period that child care subsidies were received and decreased in the year following the end of the subsidy. On average, parents were employed 56 percent of the time during the year prior to receiving care. While families were receiving subsidized child care, this percentage increased to 69 percent, and subsequently declined to 62 percent in the year after termination of care.

---

<sup>62</sup> Detailed results from these additional analyses are included in Appendix Tables B-13 through B-18.

<sup>63</sup> Detailed statistical results discussed in this section are included in Table B-19.

<sup>64</sup> The figure is computed from quarterly UI wage records. While UI wage records cover 98 percent of all wage and salary employment in Texas, these records do not include farm employment, self employment, military employment, out-of-state employment, religious organizations, and "underground" employment.

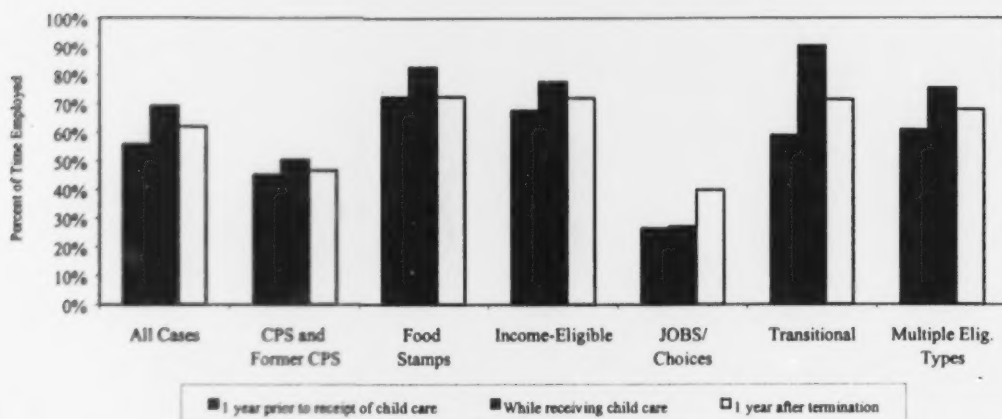
While the employment patterns are somewhat similar across most client groups, the absolute employment rates for each group are affected by several factors. First, families are assigned to particular client groups based on their economic characteristics such as income, work histories, and AFDC/TANF participation. For example, families assigned to the Food Stamps or Income-Eligible categories were probably employed for a greater period of time in the year prior to receipt of care than most other client groups. Similarly, the families receiving transitional child care spent significant amounts of time on AFDC/TANF the year prior to receiving child care subsidies.

CCMS or other policies associated with a particular client group also may affect the employment rates for families in that group. Two client groups—JOBS/Choices and CPS—deserve special mention here. The majority of families in JOBS/Choices were not employed while receiving child care subsidies because the primary reason subsidies are provided to these AFDC/TANF families is so that they can participate in training that would later lead to employment. The CPS client group also is an anomaly because the primary reason for providing care to these families is to protect children's well-being rather than to increase employment and earnings. As a result, it is difficult to interpret the relationship between child care subsidies and the employment rates of adults in CPS families.

As shown in Figure 6, families receiving transitional child care subsidies experienced the greatest changes in employment rates by period. The percent of time these families were employed increased from 59 percent in the year preceding subsidy receipt to 90 percent while receiving a subsidy. Employment rates for this group decreased to 72 percent during the year after subsidies were no longer received. Though not as dramatic, similar trends were observed for parents in the Food Stamps and Income-Eligible groups. In JOBS/Choices, however, the percentage of time parents were employed varied by less than 1 percent between the year prior to and while receiving subsidies, 26 percent and 27 percent respectively. More importantly, the rate increased to 40 percent of the time in the year following the receipt of CCMS services. This suggests that a significant share of these families left AFDC/TANF and became employed.

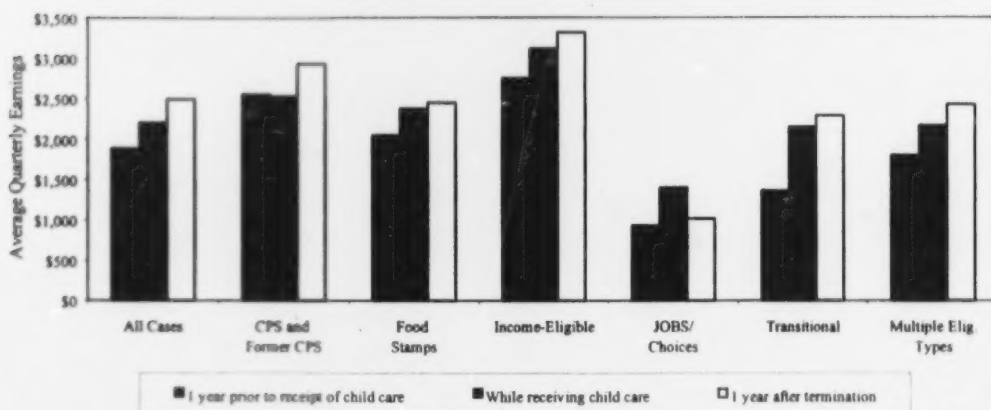
As illustrated in Figure 7, average quarterly earnings for most groups of employed parents increased while receiving subsidized child care and continued to increase once the subsidized care had ended. Across all client groups, employed parents earned \$1,887 on a quarterly basis during the year prior to receiving subsidized care. These quarterly earnings increased to \$2,205 while receiving subsidized care and increased again to \$2,491 in the year after subsidies had ended.

**Figure 6: Percent of Time Employed by Major Client Group**



Parents in the Income-Eligible group had the highest quarterly earnings of all groups, ranging from \$2,749 in the year prior to receiving subsidies to \$3,317 in the year after subsidies had ended. However, employed families receiving transitional child care showed the greatest gains in earnings over time. Average quarterly earnings for this group ranged from \$1,358 in the year prior to subsidy receipt to \$2,289 in the year following child care subsidies, an increase of \$931. Contrary to the general trend, average quarterly earnings for employed parents receiving JOBS/Choices subsidies fell once those families were no longer receiving subsidized care.

**Figure 7: Average Quarterly Earnings of Those Employed by Major Client Group**





While the results presented above are merely descriptive statistics and should not be construed to imply cause and effect, these findings suggest that a relationship exists between the provision of child care subsidies and the share of low-income parents who are employed in low-income jobs. Lower employment rates in the year following receipt of child care subsidies, coupled with higher average earnings for those still employed, suggest that families in the lowest-paying jobs may have left the labor force once child care subsidies ended. Further analysis of a more sophisticated statistical nature would be needed to support this interpretation.

### **AFDC/TANF Participation**

Figure 8 presents the AFDC/TANF participation rates of CCMS families for the year prior to receipt of subsidized child care, the period while receiving child care, and the year after no longer receiving CCMS services. Across all client groups, families spent 41 percent of their time on AFDC/TANF in the year prior to receiving subsidized child care. This figure dropped to 36 percent while receiving subsidies, and remained at 35 percent during the year following subsidy receipt.

When viewed by each client group, however, the percent of time on AFDC/TANF varies considerably.<sup>65</sup> Overall rates of AFDC/TANF participation are lowest for the Food Stamps and Income-Eligible groups. In the Food Stamps, Income-Eligible, and Transitional categories, percent of time on AFDC/TANF decreased while receiving child care subsidies and increased in the year after child care subsidies were terminated.

Families receiving transitional child care experienced the most dramatic changes in rates of AFDC/TANF participation across each period. This group was on AFDC/TANF 73 percent of the time in the year prior to receiving subsidies, which is not surprising as families must be on AFDC/TANF for at least three months before becoming eligible for transitional child care. They received AFDC/TANF for 21 percent of the time while receiving child care subsidies, probably because AFDC/TANF families technically can remain on the rolls for a short period of time after becoming employed and receiving transitional care. While the share of time on AFDC/TANF increased somewhat in the year following subsidy receipt, families who had received transitional child care were able to remain off of AFDC/TANF for 73 percent of the time in the year after subsidies had ended.

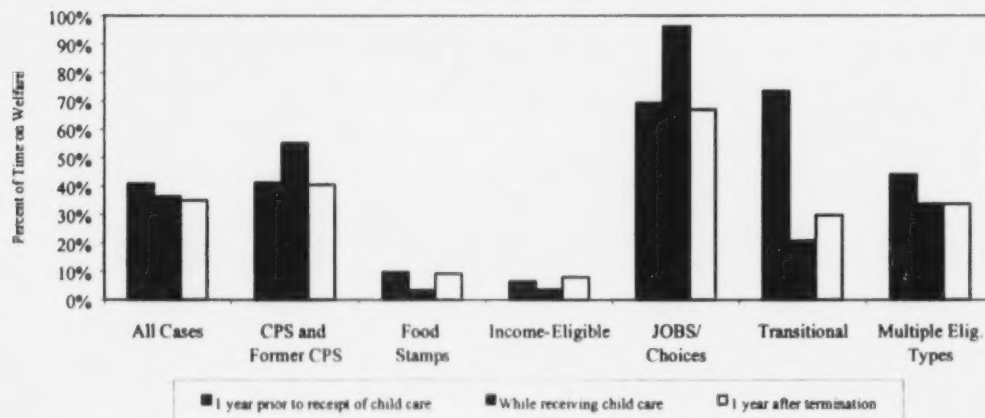
---

<sup>65</sup> As stated earlier, the CPS group is an anomaly so the relationship between AFDC/TANF participation and child care subsidies for this group is difficult to interpret.

As expected, AFDC/TANF participation for JOBS/Choices families increased to nearly 100 percent while receiving this type of child care subsidy, given that AFDC/TANF participation is a condition for receipt of JOBS/Choices child care subsidies.<sup>66</sup> These families spent 69 percent of their time on AFDC/TANF in the year prior to the receipt of child care subsidies, compared to 67 percent in the year after subsidies had ended.

Taken together, these findings suggest that child care subsidies do play a role in helping families to leave and/or remain off of AFDC/TANF. However, a more sophisticated statistical approach would be needed to determine which factors cause these observed relationships.

**Figure 8: AFDC/TANF Participation by Major Client Group**



### **E. Comparison of Families and Children Receiving Subsidized Child Care to Eligible Applicants Not Receiving Care**

Many children eligible for subsidized child care often must wait a considerable length of time after their families apply for child care subsidies before they receive such services. While detailed waiting list data were not available for this study, available data on applicants for subsidized child care enabled the research team to develop comparisons

<sup>66</sup> The percent of time JOBS/Choices parents were on AFDC/TANF while receiving child care subsidies appears to be slightly less than 100 percent due to time lags in data entry across data systems and missing AFDC/TANF data files for certain months.

between children and families receiving subsidized child care to those who had applied for care but were not receiving it.<sup>67</sup>

Several types of comparisons are discussed in the following subsections. First, the percent of time that applicants eligible for subsidized child care actually received it is computed for each major client group for each of the four years in the study. Then, sub-state differences in the percentages of applicants and potential applicants receiving care are calculated for June 1997, the last month for which the necessary data were available. Finally, the demographic characteristics and labor market and AFDC/TANF participation rates for families and children receiving subsidized child care in FFY1997 are compared to those of eligible applicants who did not receive care.

#### **Percent of Time During which Eligible Applicants Received Care**

Even after a family applying for child care is deemed eligible, subsidized child care may not actually be delivered in any given month because funds may not have been available or suitable care-givers may not have been found. As shown in Figure 9, in FFY1994 subsidized child care was actually delivered in 58 percent of the months during which children were eligible to receive it. This overall delivery rate increased to 62 percent in FFY1997.<sup>68</sup> The delivery rate differed considerably among the client groups. Clients in the Transitional or JOBS/Choices group received care the greatest proportion of time (between 74 and 87 percent of the time over the four years studied), while children in the Income Eligible group were least likely to receive care (47 to 54 percent of the time).

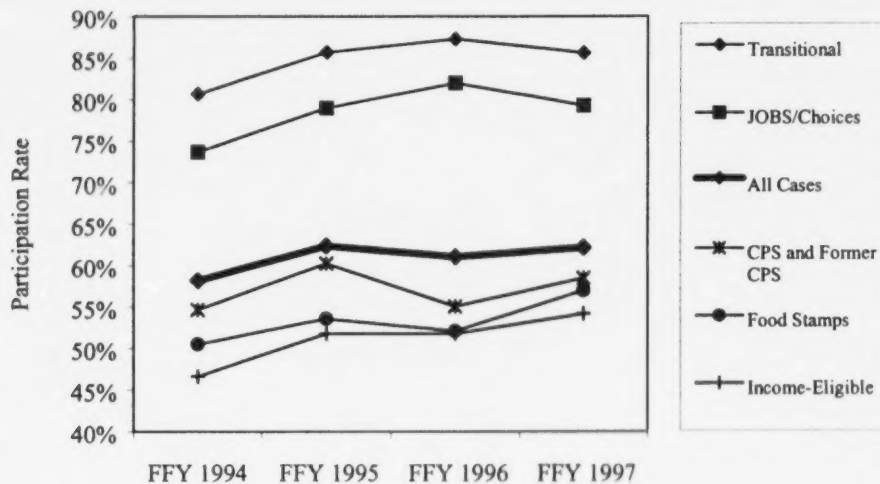
These results reflect the policy decision that Texas (along with a number of other states) has made to allocate a disproportionate share of scarce child care dollars to families attempting to leave AFDC/TANF for employment. As a result, although children in Income-Eligible families received the greatest absolute amount of child care subsidies in FFY1997, this group also contains the greatest share of children still waiting for services.

---

<sup>67</sup> Because waiting-list data were not archived, such data were not available for this study.

<sup>68</sup> Detailed results are contained in Appendix Table B-20.

**Figure 9: Percent of Months During Which Children of Eligible Applicants Received Care**



#### **Percent of Children Receiving Subsidized Child Care by CCMS Office**

To determine the relative distribution of child care subsidies across different areas of the state, rates of child care subsidy usage for June 1997 were calculated in two ways. First, the number of children receiving subsidized care were divided by the total number of eligible applicants in each CCMS office. As shown in Table 8, 59 percent of eligible applicants actually received care in that month. However, the rates among CCMS offices varied substantially, with over 80 percent of eligible children whose families applied for subsidized care receiving services in Victoria, Lubbock and Amarillo compared to less than 50 percent in El Paso, Pharr, Forth Worth, Denton and Odessa.

In this study, it is important to distinguish between eligible applicants and families who are potentially eligible but may have not applied for care. To determine the share of potentially eligible children receiving subsidized child care in June 1997, the number of children receiving subsidies in each CCMS office was divided by the number of children under 13 years of age in that geographic area whose families' income was less than 150

percent of poverty (the maximum income allowed for CCMS eligibility).<sup>69</sup> Using this method, only 4.4 percent of Texas poor children received child care subsidies through CCMS in June 1997 (Table 8). However, these rates varied substantially by CCMS office. Potentially eligible children in Wichita Falls, Dallas, Beaumont and San Antonio were most likely to receive subsidized care (5.9, 5.8, 5.7 and 5.7 percent, respectively) while those in Pharr, Laredo, and Uvalde were least likely to obtain child care through this system (2.4, 2.7, and 3.5 percent, respectively).

A number of factors could account for the differences in rates of subsidized child care usage across the state. These include variation across local areas in:

- levels of awareness about the availability of subsidies in local communities;
- total amount of subsidies allocated to each geographical area;
- shares of families applying for different types of subsidized care (e.g., Income-Eligible vs. Transitional);
- family structures or cultural backgrounds that could affect families' decisions about applying for subsidized care; and
- economic and labor market conditions in local communities.

---

<sup>69</sup> In this report, the definition of potentially eligible children is based on family income and size. It does not take into consideration whether a family member must be working or attending training in order to be eligible for subsidized care. A more complete description of the statistical methods and data sources used for this calculation are included in Appendix A.



**Table 8: Percent of Eligible Children Receiving Subsidized Child Care  
By CCMS Office, June 1997**

| CCMS Office         | Eligible applicant<br>children receiving<br>SCC |         | Potentially eligible<br>children receiving<br>SCC |         |
|---------------------|-------------------------------------------------|---------|---------------------------------------------------|---------|
|                     | Rank                                            | Percent | Rank                                              | Percent |
| Texas               | -                                               | 59.2    | -                                                 | 4.4     |
| Victoria (20)       | 1                                               | 87.7    | 8                                                 | 5.3     |
| Lubbock (02)        | 2                                               | 86.7    | 7                                                 | 5.4     |
| Amarillo (01)       | 3                                               | 81.0    | 9                                                 | 5.1     |
| Sweetwater (07)     | 4                                               | 78.6    | 14                                                | 4.4     |
| Uvalde (23)         | 5                                               | 74.9    | 24                                                | 3.5     |
| San Saba (13)       | 6                                               | 74.5    | 23                                                | 3.6     |
| Wichita Falls (06)  | 7                                               | 72.5    | 1                                                 | 5.9     |
| Dallas (08)         | 8                                               | 68.2    | 2                                                 | 5.8     |
| Austin (14)         | 9                                               | 67.5    | 18                                                | 4.2     |
| Jasper (24)         | 10                                              | 66.9    | 21                                                | 3.8     |
| Plano (11)          | 11                                              | 66.7    | 12                                                | 4.6     |
| Bryan (12)          | 12                                              | 64.7    | 11                                                | 4.9     |
| Beaumont (25)       | 13                                              | 64.3    | 3                                                 | 5.7     |
| Corpus Christi (19) | 14                                              | 64.0    | 10                                                | 5.0     |
| Houston (26)        | 15                                              | 60.5    | 15                                                | 4.4     |
| Athens (16)         | 16                                              | 58.9    | 22                                                | 3.7     |
| Laredo (21)         | 17                                              | 58.7    | 25                                                | 2.7     |
| San Antonio (22)    | 18                                              | 56.8    | 4                                                 | 5.7     |
| Waco (15)           | 19                                              | 55.2    | 6                                                 | 5.4     |
| San Angelo (05)     | 20                                              | 53.0    | 13                                                | 4.5     |
| Galveston (27)      | 21                                              | 52.2    | 20                                                | 3.8     |
| El Paso (04)        | 22                                              | 49.2    | 17                                                | 4.3     |
| Pharr (18)          | 23                                              | 48.9    | 26                                                | 2.4     |
| Fort Worth (09)     | 24                                              | 47.5    | 5                                                 | 5.6     |
| Denton (10)         | 25                                              | 47.4    | 16                                                | 4.3     |
| Odessa (03)         | 26                                              | 44.7    | 19                                                | 4.2     |

Note: Data were unavailable for the Texarkana CCMS office.

### **Comparison of Characteristics, Labor Market and AFDC/TANF Receipt of CCMS Participants to Eligible Applicants Not Receiving Care**

The demographic characteristics, labor market participation and AFDC/TANF receipt of families receiving subsidized child care in FFY1997 were compared to those of eligible applicants who were not receiving subsidies.<sup>70</sup> These results are merely descriptive in nature and do not attempt to adjust for differences in the characteristics of the members of each group. Prior to developing policy changes based on these results, more sophisticated statistical procedures should be used to control for such differences.

#### **Demographic Characteristics**

Families who were receiving subsidized child care for at least one child had fewer children waiting to receive care; less than 10 percent of such families had one or more children waiting to receive care. Table 9 presents the remaining differences in demographic characteristics between eligible applicants who were or were not receiving care. In general, these characteristics did not differ dramatically between the two types of applicants; the mean age, gender and special needs of the child were very similar between the two groups.

Across most client groups, parents who were receiving subsidized care tended to be slightly older than those parents not receiving care. In addition, slight differences in the racial/ethnic composition among these two groups of children occurred, varying by client group. For example, Black children comprised a larger share of the children receiving Transitional, Income-Eligible, or JOBS/Choices child care compared to those eligible applicants not receiving such care. In the Food Stamps category, Hispanic children made up a greater share of children receiving care than those waiting for care..

---

<sup>70</sup>The detailed results of these analyses are provided in Appendix B, Tables B-21 and B-22.

**Table 9: Comparison of Characteristics of Eligible Applicants  
Receiving and Not Receiving Care in FFY1997**

| Characteristics                                           | All Cases                |                   | CPS and Former CPS       |                   | Food Stamps              |                   | Income-Eligible          |                   | JOBS/Choices             |                   | Transitional             |                   |
|-----------------------------------------------------------|--------------------------|-------------------|--------------------------|-------------------|--------------------------|-------------------|--------------------------|-------------------|--------------------------|-------------------|--------------------------|-------------------|
|                                                           | Not<br>Receiving<br>Care | Receiving<br>Care | Not<br>Receiving<br>Care | Receiving<br>Care | Not<br>Receiving<br>Care | Receiving<br>Care | Not<br>Receiving<br>Care | Receiving<br>Care | Not<br>Receiving<br>Care | Receiving<br>Care | Not<br>Receiving<br>Care | Receiving<br>Care |
| Mean age of parent<br>(years)                             | 26.4                     | 27.7              | 26.1                     | 29.3              | 26.8                     | 28.3              | 26.5                     | 28.6              | 25.1                     | 25.4              | 26.8                     | 26.5              |
| Gender of Child                                           |                          |                   |                          |                   |                          |                   |                          |                   |                          |                   |                          |                   |
| Male                                                      | 50.4                     | 49.5              | 50.6                     | 48.9              | 50.6                     | 49.5              | 50.3                     | 49.6              | 49.2                     | 49.7              | 50.7                     | 49.6              |
| Female                                                    | 48.8                     | 48.4              | 48.6                     | 47.8              | 48.5                     | 48.2              | 49.0                     | 48.4              | 49.5                     | 48.2              | 48.2                     | 49.1              |
| Mean age of child<br>(years)                              | 4.1                      | 4.2               | 3.7                      | 3.9               | 4.2                      | 4.6               | 4.1                      | 4.3               | 4.1                      | 3.4               | 4.9                      | 4.1               |
| Percent Distribution<br>of Race/Ethnicity of<br>Child     |                          |                   |                          |                   |                          |                   |                          |                   |                          |                   |                          |                   |
| Anglo                                                     | 18.1                     | 15.8              | 16.0                     | 16.0              | 17.4                     | 15.0              | 20.3                     | 17.8              | 13.7                     | 15.4              | 15.2                     | 13.8              |
| Black                                                     | 27.6                     | 29.9              | 35.8                     | 32.0              | 28.7                     | 25.2              | 26.0                     | 30.2              | 22.2                     | 31.4              | 25.9                     | 34.5              |
| Hispanic                                                  | 35.4                     | 35.6              | 30.4                     | 25.6              | 38.4                     | 45.0              | 33.1                     | 33.6              | 45.8                     | 37.3              | 34.7                     | 27.6              |
| Percent Distribution<br>of Children with<br>Special Needs | 1.7                      | 2.2               | 1.5                      | 1.4               | 1.2                      | .9                | 2.3                      | 4.6               | 0.8                      | 0.8               | 1.3                      | 1.0               |

## Labor Market and AFDC/TANF Participation

Figures 10 through 12 compare the labor market and AFDC/TANF participation of the parents of eligible children receiving or waiting for care. Parents of eligible children not receiving subsidized child care fared worse in all labor market and AFDC/TANF participation measures. As shown in Figure 10, parents of eligible children who had applied for but were not receiving subsidized child care generally spent a shorter percentage of time employed in FFY1997 (73 percent vs. 78 percent for parents receiving care). In the Food Stamps, Transitional or Income-Eligible categories (the client groups in which parents requested subsidized child care for employment purposes), the percent of time employed was approximately eight percentage points higher for those families receiving care than for eligible families waiting for such services.<sup>71</sup>

Figure 11 illustrates that employed parents of eligible children receiving subsidized child care also earned an average of \$260 more on a quarterly basis than eligible families not receiving care. In the Income-Eligible category, quarterly earnings differed by \$665. Alternatively, employed parents eligible for JOBS/Choices care earned the same amount of money as those receiving care.<sup>72</sup>

Figure 12 reveals that, except for the JOBS/Choices group, eligible families who were receiving subsidized child care received AFDC/TANF benefits for a shorter amount of time in FFY1997. Families receiving Transitional child care spent four percent of time on AFDC/TANF, compared to 16 percent for eligible applicants. Similar patterns were observed for Food Stamps and Income-Eligible families. Because AFDC/TANF receipt is a condition of JOBS/Choices participation, families receiving JOBS/Choices child care benefits spent more time on AFDC/TANF in FFY1997 (85 percent vs. 73 percent for families waiting for care).

Descriptive statistics for most client groups indicate that families receiving child care subsidies experienced higher employment rates, higher average quarterly earnings if employed, and less time on AFDC/TANF than eligible applicants not receiving these subsidies. Determining which factors contributed to these patterns was beyond the scope of this study.

---

<sup>71</sup> CPS and former CPS exhibit a different pattern from the other groups. Because this group needs child care for reasons other than employment, a relationship between child care services and employment rates for this population is difficult to interpret.

<sup>72</sup> As discussed earlier, the majority of families in JOBS/Choices were not employed while receiving child care subsidies because this client typically received child care subsidies so that they could participate in training. As a result, it is difficult to interpret the relationship between receipt of child care subsidies and labor market outcomes of families in this client group.

**Figure 10: Percent of Time Employed by Major Client Group**

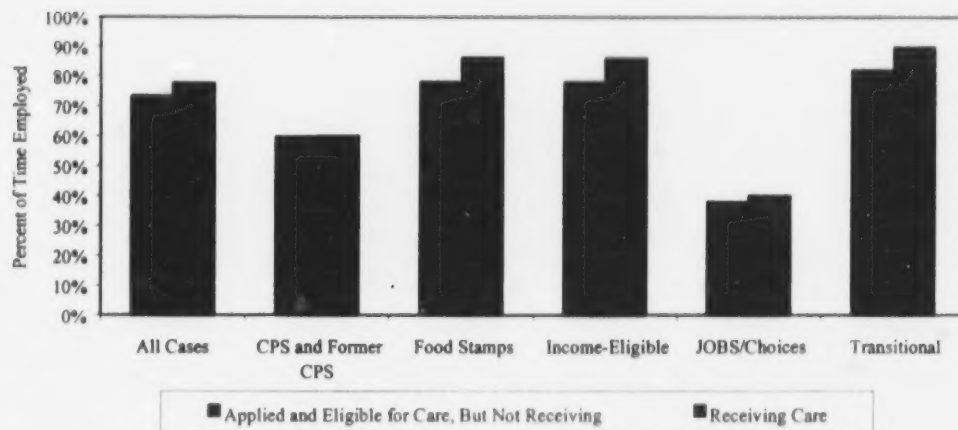


**Figure 11: Average Quarterly Earnings by Major Client Group**

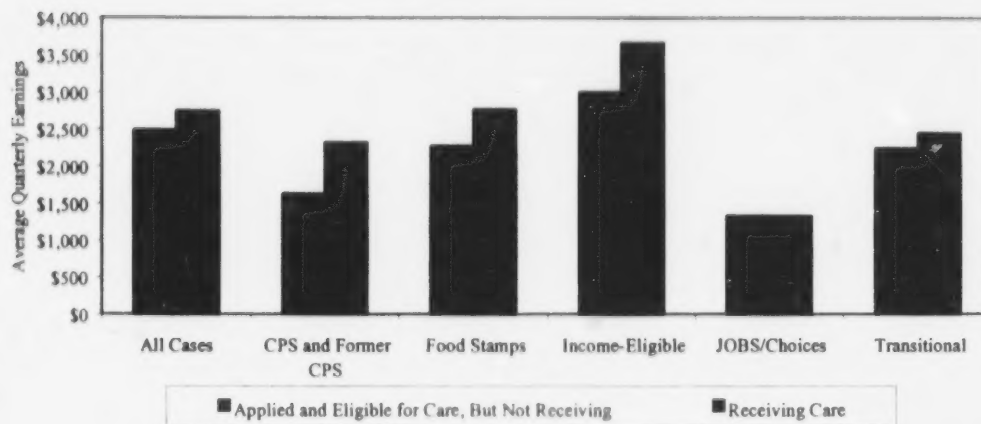
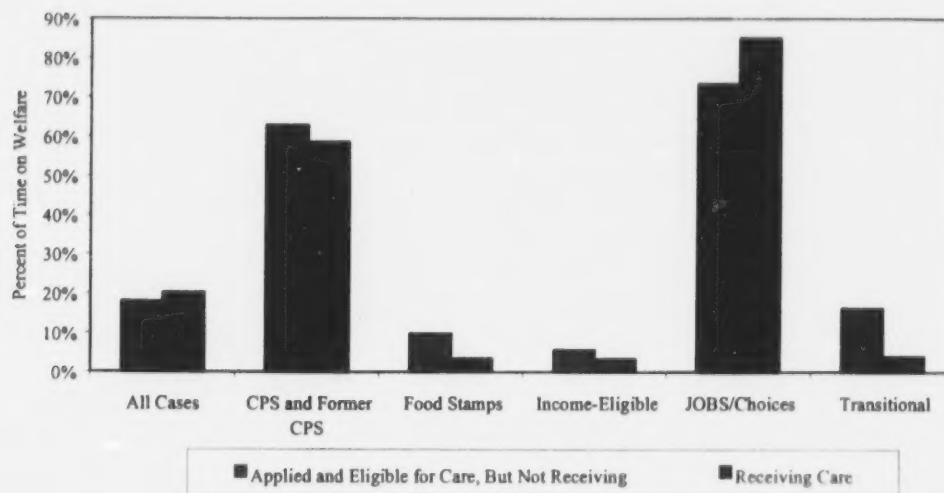




**Figure 12: AFDC/TANF Participation by Major Client Group**



## V. Conclusions and Policy Implications

These findings provide new information that should be particularly useful to local workforce development boards as they assume responsibility for the administration of child care subsidies in their geographic areas. Many of the policy decisions contributing to the patterns observed in this paper will be revisited as local boards assume this decision-making authority from the state. Local boards will need to juggle the needs of families currently on welfare against those of the large number of eligible low-income families not on welfare who still need child care subsidies.

Among the many findings presented here, some of the most interesting include the patterns for the groups representing the working poor: the Income-Eligible and Food Stamps client groups. Although they appear to be taking advantage of a greater share of subsidized child care services as time progresses, they still lag well behind the other groups in the proportion of eligible applicants who are actually receiving care. Moreover, the analysis of eligible families who are not receiving care suggests that these groups could show substantial employment and earnings gains if more child care subsidies were made available to them. Finally, the analysis of employment and AFDC/TANF outcomes suggest that while some employment gains may diminish when subsidies end, earnings for persons still employed continue to increase in the year after subsidy receipt.

With the changes brought about by Federal welfare reform and the current focus on serving current and former TANF recipients, it is important that policy makers understand that low-income families frequently move between welfare and low-income employment. Because subsidized child care appears to benefit both TANF and non-TANF families, local boards should closely examine the effects of proposed policy changes on all low-income families eligible for such services.

## Bibliography

- Adams, G. and Poersch, N.O. *Who Cares? State Commitment to Child Care and Early Education*. Washington, D.C.: The Children's Defense Fund, December 1996.
- Barnett, W.S. "Long-Term Effects of Early Childhood Programs on Cognitive and School Outcomes." *The Future of Children*, v. 5, n. 3, 25-50, 1995.
- Berger, M.C. and Black, D.A. "Child Care Subsidies, Quality of Care, and the Labor Supply of Low-Income Single Mothers." *Review of Economics and Statistics*, v. 74, 635-642, November 1992.
- Blau, D.M. and Robins, P.K. "Child Care Demand and Labor Supply of Young Mothers Over Time." *Demography*, v. 28, n. 3, 333-351, 1991.
- Brayfield, A., Deich, S., and Hofferth, S.L. "Caring for Children and Low-Income Families: A Substudy of the National Child Care Survey, 1990." A National Association for the Education of Young Children (NAEYC) Study. Washington, D.C.: The Urban Institute Press, 1993.
- Bridgman, A. and Phillips, D.A. *Child Care for Low-Income Families, Directions for Research: Summary of a Workshop*. Washington, D.C.: National Academy Press, 1996.
- Building a Workforce Development System for Texas: A Funny Thing Happened on the Way to Reform*. Lyndon B Johnson School of Public Affairs, Policy Research Project Report Number 126. Austin: University of Texas at Austin, 1997.
- Casper, L.M. *What Does It Cost to Mind Our Preschoolers?* U.S. Bureau of the Census, Current Population Reports, P-70, no. 52. Washington, D.C., 1995.
- Cattan, P. "Child Care Problems: An Obstacle to Work." *Monthly Labor Review*, v. 114, 3-9, 1991.
- Child Care and Development Fund Plan for Texas for the Period 10/1/97 - 9/30/99*. Submitted by the Texas Workforce Commission to the U.S. Department of Health and Human Services, June 30, 1997.
- Child Care Recommendations*. Texas Workforce Commission, Austin (Available from <http://www.twc.state.tx.us/wrkfrcaev/ccrec.html>, March 3, 1997).

- Chung, A. and Stoney, L. *Using Research to Improve Child Care for Low-Income Families*. Prepared for the Child Care Bureau, Administration for Children and Families, U.S. Department of Health and Human Services, May 1997.
- Cohen, A.J. "A Brief History of Federal Financing for Child Care in the United States," *The Future of Children, Financing Child Care*, v. 6, n. 2, Summer/Fall, 26-40.
- Connelly, R. "The Importance of Child Care Costs to Women's Decision Making." In D. Blau, ed. *The Economics of Child Care*. New York: Russell Sage Foundation, 1991.
- \_\_\_\_\_. "The Effects of Child Care Costs on Married Women's Labor Force Participation." *Review of Economics and Statistics*, v. 74, n. 1, 83-90, 1992.
- Cost, Quality, and Child Outcomes Study Team. *Cost, Quality, and Child Outcomes in Child Care Centers*. Denver: University of Colorado at Denver, 1995.
- Ebb, N. *Child Care Tradeoffs: States Make Painful Choices*. Washington, D.C.: Children's Defense Fund, January 1994.
- Fronstin, P. and Wissoker, D. *The Effects of the Availability of Low-Cost Child Care on the Labor Supply of Low-Income Women*. Presented at the annual meeting of the Population Association of America, May 5-7, 1994.
- Galinsky, E. et al. *The Study of Children in Family Child Care and Relative Care: Highlights of Findings*. New York: Families and Work Institute, 1994.
- Gomby, D.S. et al. "Financing Child Care: Analysis and Recommendations," *The Future of Children, Financing Child Care*, v. 6, n. 2, Summer/Fall 1996, 1-25.
- Greenberg, M. "A Summary of Key Child Care Provisions of H.R. 3734." Washington, D.C.: Center for Law and Social Policy, August 1996. (Available from <http://epn.org/clasp/clkeep.html>, November 1996).
- Hofferth, S.L. "Caring for Children at the Poverty Line." *Children & Youth Services*, v. 17, 1/2, 61-90, 1995.
- Hofferth, S.L., Brayfield, A., Deich, S., and Holcomb, P. *National Child Care Survey, 1990*. Washington, D.C.: Urban Institute Press, 1991.
- Hofferth, S.L. and Collins, N. *Child Care and Employment Turnover*. Ann Arbor: Institute for Social Research and Population Studies Center, April 1997.
- Hofferth, S.L. and Wissoker, D. "Price, Quality and Income in Child Care Choice." *Journal of Human Resources*, v. 27, n. 1, 70-111, 1992.

- Institute for Women's Policy Research (IWPR). *Research-in-Brief: Child Care Usage Among Low-Income and AFDC Families*. Washington, D.C., October 1996.
- Kimmel, J. "The Effectiveness of Child-Care Subsidies in Encouraging the Welfare-to-Work Transition of Low-Income Single Mothers." *The American Economic Review*, v. 85, 271-275, 1995.
- \_\_\_\_\_. *Child Care Costs as a Barrier to Employment for Single and Married Mothers*. Kalamazoo, MI: W.E. Upjohn Institute for Employment Research, October 1994.
- \_\_\_\_\_. "The Role of Child Care Assistance in Welfare Reform." *Employment Research*, v. 1, n. 2, 1994, 1-4.
- Lee, C., Ohlandt, S. and Witte, A. *Parents Receiving Subsidized Child Care: Where Do They Work?* Tallahassee: Florida's Children's Forum, June 1996.
- Long, S.K. and Clark, S.J. "The New Child Care Block Grant: State Funding Choices and Their Implications." *New Federalism Issues and Options for States*, series A, no. A-12. Washington, D.C.: The Urban Institute, October 1997.
- Maume, D.J. "Child-Care Expenditures and Women's Employment Turnover." *Social Forces*, v. 70, n. 2, 494-508, December 1991.
- Meyers, M.K. "Child Care in JOBS Employment and Training Program: What Difference Does Quality Make?" *Journal of Marriage and the Family*, v. 55, n. 3, 767-783, 1993.
- \_\_\_\_\_. *Child Care and Welfare Reform: Findings From California*. Paper presented at child care workshop, Board on Children and Families, February 21, 1995. Department of Public Administration, Maxwell School of Citizenship and Public Affairs, Syracuse University.
- Meyers, M.K. and Heintze, T. *The Child Care Subsidy Shortfall: Is the Subsidy System Working for Those Working Their Way Off Welfare?* Berkeley: UC Data, May 7, 1997.
- Meyers, M.K. et al. *GAIN Family Life and Child Care Study*. Berkeley: Family Welfare Research Group, University of California at Berkeley, 1992.
- Michalopoulos, C., Robins, P.K., and Garfinkel, I. "A Structural Model of Labor Supply and Child Care Demand." *Journal of Human Resources*, v. 27, n. 1, 166-203, 1992.



- National Institute of Child Health and Human Development. *Mother-Child Interaction and Cognitive Outcomes Associated with Early Child Care*. Washington, D.C.: 1997.
- Phillips, D. and Bridgman, A., eds. *New Findings on Children, Families and Economic Self-Sufficiency: Summary of a Research Briefing*. Washington, D.C.: National Academy Press, 1995.
- Phillips, D., ed. *Child Care for Low-Income Families: Summary of Two Workshops*. Board on Children and Families, National Research Council, Institute of Medicine. Washington, D.C.: National Academy Press, 1995.
- Ribar, D.C. "Child Care and the Labor Supply of Married Women." *The Journal of Human Resources*, v. 21, n. 1, 134-165, 1992.
- Schexnayder, D., King, C., and Lawson, L. *Patterns of Participation in Texas Welfare and Training Programs: How Hispanics Differ from Other Race/Ethnic Groups*. Austin: Center for the Study of Human Resources, Lyndon B. Johnson School of Public Affairs, The University of Texas at Austin, March 1994.
- Schexnayder, D. and McCoy, J. *The Impact of Child Care on Low-Income Texas Families: A Research Review*. Austin: Texas Workforce Commission, December 1996.
- Siegel, G.L. and Loman, L.A. *Child Care and AFDC Recipients in Illinois: Patterns, Problems and Needs*. St Louis: Institute of Applied Research, September 1991.
- Stoney, L. and Greenberg, M.H. "The Financing of Child Care: Current and Emerging Trends." *The Future of Children*, v. 6, n. 2, Summer/Fall 1996, 83-102.
- Texas Department of Human Services. *Child Care Management Services Contractor Manual*. Austin, n.d.
- U.S. Advisory Commission on Intergovernmental Relations. *Child Care: The Need for Federal-State-Local Coordination*. Washington, D.C., 1994.
- U.S. Department of Labor, Women's Bureau. *Care Around the Clock: Developing Child Care Resources Before 9 and After 5*. Washington, D.C., April 1995.
- U.S. General Accounting Office. *Welfare: Income and Relative Poverty Status of AFDC Families*. Washington, D.C.: U.S. Government Printing Office (GAO/HRD-88-9), 1987.

- \_\_\_\_\_. *Child Care: Working Poor and Welfare Recipients Face Service Gaps.* Washington, D.C.: U.S. Government Printing Office (GAO/HEHS-94-87), May 13, 1994.
- \_\_\_\_\_. *Child Care Subsidies Increase Likelihood That Low-Income Mothers Will Work.* Washington, D.C.: U.S. Government Printing Office (GAO/HEHS-95-20), December 30, 1994.
- \_\_\_\_\_. *Child Care: Current System Could Undermine Goals of Welfare Reform.* Washington, D.C.: U.S. Government Printing Office, September 20, 1994.
- \_\_\_\_\_. *Welfare Reform: Implications of Increased Work Participation for Child Care.* Washington, D.C.: U.S. Government Printing Office (GAO/HEHS-97-75), May 1997.
- \_\_\_\_\_. *Welfare Reform: States' Efforts to Expand Child Care Programs.* Washington, D.C.: U.S. Government Printing Office (GAO/HEHS-98-27), January 1998.
- U.S. Department of Health and Human Services, Administration for Children and Families, Child Care Bureau. "Federal Child Care Programs in 1995." Fact Sheet. Washington, D.C. (Available from <http://www.adf.dhhs.gov/programs/ccb>, June 1, 1998).
- U.S. House of Representatives Committee on Ways and Means. *1996 Green Book Background Material and Data on Programs Within the Jurisdiction of the Committee on Ways and Means.* Washington, D.C. U.S. Government Printing Office, November 1996.
- Waller, M. *Welfare-to-Work and Child Care: A Survey of the Ten Big States.* Washington, D.C.: The Progressive Policy Institute, July 1997.
- Whitebrook, M. et al. *National Child Care Staffing Study.* Oakland: The Child Care Employee Project, 1989.
- Yoshikawa, H. "Long-Term Effects of Early Childhood Programs on Social Outcomes and Delinquency." *The Future of Children*, v. 5, n. 3, 51-75, 1995.

## **Appendix A**

### **Data Sources and Statistical Methods**

## **Appendix A**

### **Data Sources and Statistical Methods**

#### **Data files and processing**

This study is based on statistical analysis of existing individual-level administrative data files maintained by the Texas Workforce Commission (TWC) and the Texas Department of Human Services (TDHS). The study covers the period from federal fiscal year (FFY) 1994 through the third quarter of FFY1997 (some limited data were available for all of FFY97). The specific administrative data files used in this study include: Child Care Management Services (CCMS) data from both TWC and from local CCMS offices; employment and earnings data from the Unemployment Insurance Wage Reporting System maintained by TWC; and AFDC/TANF case and client data from TDHS.

#### **Child Care Management Services data**

Since 1991, the CCMS system has coordinated the purchase of subsidized child care services for eligible low-income families in Texas. In the process of coordinating child care funds and brokering child care services, the CCMS system has collected and maintained an extensive database containing information about low-income families with children. The data are organized into client-level (child) and case-level (family) files. Some of these files were drawn from records maintained at the state level and some from records maintained at the local CCMS offices.

#### **Case-level files**

##### *State Case file*

The state level case file contains case (family) information for all cases active in the CCMS system since March 1991. The key variables include site (or CCMS contractor number) and a CCMS-assigned case number that is unique within each site. The parent's<sup>1</sup> social security number (SSN) is also included as a secondary key, which

---

<sup>1</sup> The term "parent" in this report refers to the adult primarily responsible for the care of a child. This could include a parent, a court-appointed caretaker or a relative.

was used to link to the UI wage and AFDC/TANF data files. Additional information includes the parent's name, date of birth, marital status, and county of residence.

This file contains 378,279 records with no duplicate or missing site-case number combinations. Approximately 30 percent of the records have no valid parent date of birth, and 21 percent have marital status listed as 'unknown.' These problems were ameliorated to some extent, however, when the file was subsetted to those cases that received subsidized child care during the study period (FFYs 1994 through 1997).

#### *Local Case file*

The local case file was assembled by concatenating case files generated by 26 of the 27 local CCMS offices (data were unavailable from Texarkana). This file includes the same primary and secondary key variables as the state case file. Additional variables include the monthly gross income reported at initial eligibility determination and the number of family members on the case.

The local case file contains more records (387,231 unduplicated by site-case number, or about 2 percent more cases) compared to its state level counterpart. Although it contained no missing values, the variable indicating the number of family members on each case had excessively high values in a small number of instances. Researchers elected instead to compute the number of children directly from aggregation of the client files. The income at initial eligibility variable also contained no missing values, but had an excessive number of zero values (about 78 percent). Thus, the analysis of this variable presents the percent of cases reporting zero income, but excludes these from the computation of mean reported income (see Tables B-8 and B-21 in Appendix B).

#### *Combining State and Local Case files*

In combining the state and local case files, a problem was discovered with the SSN variable on the local case file, such that only seven of nine digits were received. Thus, the local case SSN was discarded in favor of the state version of this variable. After the files were combined, 261,699 out of 393,721 parents, or 66.4 percent, had valid SSNs. This somewhat low rate is due to the fact that collection of parent SSNs was not mandatory for eligibility determination (measures were taken at CCMS to increase collection of parent SSNs beginning in May, 1997). These SSNs were used to link cases to UI wage and AFDC/TANF caretaker data. Additional efforts to improve the links to AFDC/TANF caretaker data, and to retrieve caretaker SSNs from that source for those with missing SSNs in the CCMS case files, are described below. After substituting SSNs



gathered from AFDC/TANF data, the valid SSN rates for those cases that received subsidized child care ranged from 88.5 percent in FFY1994 to 90.3 percent in FFY1997.

#### *Local Parent Fee file*

The case level parent fee file is only available at the local level; it has no state counterpart. Like the other case level files, it contains site number and CCMS case number as primary key variables. This file is completely historical; no data are ever overwritten nor purged. It contains one record for every change in the parent fee assessed to individual cases, including the start and end dates for which the parent fee was effective, and the reported gross income on which fees were based. For cases in which no parent fee was charged, no records exist in this file.

#### **Client-level files**

##### *State Client file*

The state level client file contains site number and CCMS client number as key variables. However, unlike the local client file, it does not contain CCMS case numbers (see discussion below). Additional client identifying or demographic information includes client name, SSN, date of birth, ethnicity, and gender. Very few missing values are seen in this file, with less than 1 percent missing for any given variable. A total of 673,941 clients appear in the file, or approximately 1.7 clients for every case.

##### *Local Client file*

The local version of the client file was created in the same manner as the local case file, by concatenating 26 local client files to yield a total of 685,334 records with complete identifiers. This aggregate file contains site number, CCMS case number, and CCMS client number as key identifiers. Additional identifiers include clients' SSN and SAVERR client numbers. The latter can be used to link to client-level AFDC/TANF benefits records maintained by the TDHS. Also included in the local client file are variables indicating what, if any, type of disability the child has; the number of full-time and part-time care days needed; whether the need for care varies with the school calendar; and which days of the week and times care is needed.

### *Combining State and Local Client files*

Combining the state and local versions of the client files was problematic primarily because of the absence of CCMS case numbers in the state version of the file. Although the local file does not contain duplicate records when grouped by site, CCMS case number, and CCMS client number, a small number of duplicates (892, or about 1/10 of 1 percent) emerges when grouping only by site and CCMS client number. Many of these 892 clients appeared to have distinct identifying information, but because the CCMS client numbers were duplicated within site, they had to be removed to allow one-to-one linking with the other client files. The bulk of those removed were from the Houston CCMS service delivery area (SDA). This should have little impact on the statewide analysis, but may cause a slight underestimation of the Houston area caseload. At most, the caseload of the Houston SDA would have been underestimated by 5 percent if all of the removed clients received care in the same FFY. This scenario is unlikely, however, so the true rate of underestimation of the Houston SDA caseload is probably less than 2 percent.

Even after removal of the duplicate site-CCMS client number records, the local file has 10,501, or about 1.6 percent, more clients than the state file. With the files combined, these clients were effectively removed from analysis due to their lack of CCMS case numbers, which prevents both case-level aggregation and linking to case-level files.

### *State Referral and Payment file*

The state referral and payment file was assembled from two sources: from TDHS for the period including SFY1994, and from the TWC data warehouse beginning with SFY1995 data. Identifying information in this file includes site number, CCMS case number, and CCMS client number. The source files contain one record per payment transaction, which typically includes one or two transactions per month, but may also include corrections to previous payments. The SFY 1994 file contains 1,553,142 records, and the 1995-1997 file contains 4,983,616, for a total of 6,536,758 transactions.

These transaction-based data were summarized to the client-month level to facilitate linking with client eligibility information. This summarized file contains primarily financial information, including the unit rate paid for child care, the unit quantity, the fee (if any) paid by the parents, the dollar amount of the subsidy, and a code identifying the funding source. Also included are indicators of the type of care provider

(e.g., center, group day home, etc.) and the reported reason for child care need (e.g., working, training, etc.).

#### *Local Client Eligibility file*

The client eligibility file was created by concatenating 26 local eligibility files. It includes the following key identifiers: site number, CCMS case number, and CCMS client number. The source data contain one record per eligibility classification change for every child during the period March 1991 through November 1997. A total of 2,560,287 records had complete identifying information representing the eligibility histories of 691,470 clients. The eligibility codes indicate the reason the child is eligible for subsidized child care for any given period. For example, many children of current or former AFDC/TANF parents and JOBS program participants are eligible, as well as those whose parents are on Food Stamps. In all, six categories were used to represent the numerous types and subtypes of eligibility. These include: Child Protective Services (CPS) and former CPS; Food Stamps, including both those in the Employment and Training program (FSE&T) and others; Income Eligible, serving primarily the working poor; JOBS; Transitional Child Care, for former public assistance recipients; and an "other" category that includes AFDC/TANF recipients, Special Projects, Teen Parents not elsewhere classified, SSI recipients, and the ISD-Pre-Kindergarten program.

For purposes of linking with the other data files, the eligibility spells needed to be summarized to the client-month level. Any client who was eligible for at least one day in a month was considered to have been eligible for that month. Where a client was eligible under multiple types within the same month, the type with the most days of eligibility within that month was considered as the eligibility type for that month. Although this summarizing to the client-month level results in some loss of information, it was necessary to make the data analysis manageable. Categorization of clients and cases into eligibility types is discussed further under the section entitled "Eligibility Type Classification" below.

#### *Local Wait List file*

The local wait list file was created by concatenating 26 local wait list data files, which were essentially 'snapshots' of clients on the wait list to receive subsidized child care at a point in time. Most of the snapshots were taken around November 17, 1997; however, a few were drawn as late as January or February, 1998. The aggregate wait list file contained 36,815 clients when unduplicated by CCMS case and client numbers.

However, primarily because the wait list data are not archived and hence not available over time, researchers decided not to use the wait list data to study those who are eligible but not receiving child care. Instead, a better approximation of the number of children waiting to receive care *over time* was constructed by analyzing individual periods of client eligibility that were not associated with periods of care receipt by the same clients.

#### **Unemployment Insurance Wage data**

Unemployment Insurance (UI) wage record data was retrieved from the TWC for all CCMS active or wait-listed parents by matching on parent SSN. The UI records include all quarterly wages paid to these individuals while in UI-covered employment in the period from the fourth quarter of 1993 through the first quarter of 1998. This information was used to create dependent variables to analyze employment and earnings outcomes.

A total of 1,252,345 source records represent the entire UI wage histories of 279,565 persons. Since person-employer combinations are tracked separately in the UI wage database, each person can have multiple records in the source data. Thus, of parents who had any UI wages during the period, each had an average of about 4.5 different employers. The number of jobs held was not uniform, however, since roughly half of all parents had three jobs or less, while 6 percent held more than 10 jobs during the period. Wages were summed across employers to the person-quarter level, and were linked to the case-level datasets by the SSN of the parent. After summing, mean quarterly wages (of those with non-zero wages in that quarter) were consistently between \$2200 and \$3400 per parent (generally increasing over time), and with no more than 200,000 parents earning wages in any given quarter. All analysis of labor market outcomes was restricted to the roughly 90 percent of cases for whom a valid parent SSN could be established.

#### **AFDC/TANF data**

The source data for AFDC/TANF participation included monthly strip-files, or 'snapshots,' of the statewide AFDC/TANF client caseload (both parents and children) for the period from August, 1992, through December, 1997. Data from outside the period of study (FFY1994 through FFY1997) were used to supplement the lead-time and follow-up-time for computation of AFDC/TANF participation. Of the 65 months in this time period, five monthly files were unavailable from TDHS (no more than one was missing from the same calendar quarter). To overcome these gaps in the data, AFDC/TANF data were analyzed at the quarterly, rather than monthly, level. If a case participated in

AFDC/TANF for any month in a quarter, it was considered to have participated for the entire quarter.

Because parent SAVERR client numbers (the primary key for TDHS databases) were not available, a two-tiered approach to determining AFDC/TANF participation was adopted. First, a series of matches were done using parent SSN from the state case file to link to the SSN of the primary and/or secondary caretakers on AFDC-Basic and Unemployed Parents (-UP) cases. Then, a secondary match was done using the children's SAVERR client numbers (from the local client file) to match against the SAVERR client numbers of certified children on AFDC/TANF-Basic or -UP cases. Data from these two series of matches were combined at the case-quarter level in such a way that a case was considered to have been on AFDC/TANF if either the parent was linked via SSN with an active case, or if any of the children were linked with an active case through their SAVERR client numbers. This two-tiered approach maximizes the likelihood that AFDC/TANF recipients are correctly identified in the CCMS data.

#### **Computation of Participation Rates by CCMS Region Among Potentially Eligible Children**

Regional rates of receipt of subsidized child care by children potentially eligible for such care were calculated by dividing the total number of children receiving subsidies in June 1997 in each CCMS region by the total poor children less than or equal to 13 years of age in that geographic area. The annual number of poor children in each region was estimated using a combination of county-level statistics. These included population estimates from 1990 census figures, updated by Dr. Steve Murdock in Texas A&M University's state data center annual projections (see "<http://www-txscd.tamu.edu/online.html>" for a document named txpop97.htm). Also included were estimates of the percent of children living in families with incomes less than 150 percent of poverty, and the percent of the population aged 13 or younger, both from the 1990 census (see the 1994 City and County Data Book on cd-ROM). These estimates of the number of poor children were done at the county level, then aggregated to CCMS region for computation of the subsidized child care uptake rate among potentially eligible children.

#### **Eligibility Type Classification**

As described in the main report, many of the analyses presented here are focused on subsetting the CCMS caseload by eligibility type. Because eligibility type is



determined from client (child)-level eligibility data which can vary from one month to the next, a number of approaches were developed to determine which eligibility type applied to a given child or family for a given period of time. These approaches are described below in relation to the research questions they were designed to answer.

### **Demographic Characteristics**

For the analyses of the demographic characteristics of the CCMS caseload, the goal was to provide a complete description of every child and family who made use of subsidized child care services under each eligibility type, regardless of how long care was received. For this reason, children were tabulated under each eligibility type through which they received care in a fiscal year, and thus could contribute to multiple columns in a single table. Likewise, cases were tabulated under each eligibility type through which any of their children received care in a fiscal year. While this approach may appear to inflate the overall caseload, it has the advantage of being the most comprehensive representation of the individual cases and clients who received care under each of the eligibility types. The drawback is that those who receive care for only a short time carry as much weight in the analysis as those receiving care for the entire year.

### **Case/Client Counts, Subsidies, and Utilization Patterns**

For analysis of the case/client counts, subsidies, and utilization patterns of the CCMS caseload, it was deemed undesirable to count clients and cases under multiple eligibility types. Thus, two different approaches were used. First, for the analyses of patterns by fiscal year, children and families were categorized under the one eligibility type through which they received care throughout the year. Any child or family who received care under multiple eligibility types in the same FFY was placed in a "multiple eligibility types" category. This approach has the advantage of ensuring that any statistics (e.g., parent fees, subsidies) reported for a given eligibility type were derived only from person-months or case-months of participation in that eligibility type, and are not diluted or distorted by those clients/cases who shift from one eligibility type to another. Second, for analysis of client transition patterns, only client-month data were used, so there was no need to generalize the eligibility type across clients in a case, nor to summarize across months in a year.

## **Labor Market and Welfare Outcomes**

The analysis of labor market and welfare outcomes is different from the rest of the analyses in that the period of study was expanded to include the year before the family started receiving subsidized child care and the year after their last such receipt. In order to maximize the comparability between parameter estimates for the year before, during, and the year after receiving care, it was necessary to ensure that the same families had a chance to contribute data to all three time periods for their eligibility type. Families who transition from one eligibility type to another would make this comparability difficult to maintain, since they would be 'receiving care' under one type while in the '1 year prior' time period for another eligibility type. Thus, for analysis of labor market and welfare outcomes, families were only counted under an eligibility type if they spent their entire subsidized child care tenure receiving care under that one eligibility type. Any family that received care under multiple types was included in a "multiple eligibility types" category. This approach differs only slightly from that used for 'utilization patterns by fiscal year' described above. For the 'utilization patterns' analysis only one eligibility type was allowed per fiscal year, whereas in this section only one type is allowed for a family's entire history of subsidized child care. The major drawback to this type of approach is that results for a given eligibility type are not representative of everyone who received care through that eligibility type, but only of those who only used care through that eligibility type in a given period of time.

## **Characteristics and Outcomes for Those Eligible but not Receiving Care**

The analysis of those receiving subsidized child care versus those eligible but not receiving care uses a combination of the approaches outlined above. First, for the computation of participation/eligibility ratios, the total number of child-months of participation was compared to the total number of child-months of eligibility. Since only child-month data were used, there was no need to further summarize the eligibility type information.

Second, for the analysis of labor market and welfare outcomes for those eligible but not receiving care, the approach was similar to that described in the section above entitled 'Labor Market and Welfare Outcomes.' The only differences in the present application are that 1) all periods of eligibility (rather than just those associated with actual care receipt) are counted, and 2) the period of study for this question was limited to the first three quarters of FFY1997.

Third, for analysis of family characteristics of those receiving versus those eligible but not receiving care, a compromise between the two basic approaches was used. Since it was not as important to comprehensively describe every family that received or was eligible but didn't receive care under a given eligibility type, there was no need to count families under every relevant eligibility category. Thus, the problems of multiple-counting of families was avoided. It was also deemed less important to ensure that families contributing to this analysis were only eligible under one eligibility type. Thus, eligibility type for the remainder of the analysis of those eligible but not receiving care was selected based on the one type for which the family had the most child-months of eligibility during the time period.

### **Data Limitations**

This research is limited in a number of respects due to the way in which the CCMS data are stored and archived. Although historical payment and eligibility information is archived for every participating CCMS case and client, demographic and case information is currently being overwritten in the archived files each time the case or client information is updated. This prevents tracking of changes to parent identity or marital status, and children's care needs and disability status, among other things. Accordingly, a number of case-descriptive variables that were deemed likely to change frequently were not analyzed for the entire study period. Instead, they were analyzed only for FFY1997, the period for which the information was most likely to be current.

Other limitations of the research were due to differences in the primary key variables available in the state and local versions of files. For example, just over 1 percent of the clients from the local file had to be discarded from analysis so that the remaining clients could be unambiguously linked. Moreover, an even smaller number of cases and clients had to be discarded due to incomplete identifying information. The impact of these requirements was to restrict the sample to those for whom a complete picture of subsidized child care participation could be formed. Although it is difficult to know for certain, the distortion caused by this restriction is likely to be very small. This is because 1) many of the discarded clients could have received care in the early years of the CCMS system (from 1991 to 1993) and would thus be outside of the study period, and 2) many of the clients with missing data may not have received subsidized child care at all.

Finally, analysis of wage and income data was limited in a number of ways. First, the income of cases at initial eligibility determination appears to be seriously under-

reported, since just over 20 percent of cases reported any non-zero income, while UI wage records generally show more than half of them to be earning wages at any given time. Second, parent employment based on UI wage records slightly underestimates the true employment rate since the UI system does not cover all types of employment. To prevent further distortion of employment rates due to missing SSNs of about 10 percent of parents, all labor market outcome analyses were restricted to the 90 percent of cases for whom a valid parent SSN could be established. Moreover, these factors should affect only the *absolute* levels of employment, earnings, and reported income. Any comparisons between the *relative* employment rates, earnings, or reported income of the various eligibility subgroups should be unaffected by these caveats.

**Appendix B**  
**Detailed Statistical Results**



**Table B-1**  
**Summary of Subsidy Amounts and Service Units for Families Receiving**  
**Subsidized Child Care Services in FFY1994 by Client Group**

| Subsidy and Service Trends                 | All Cases     | CPS and<br>Former CPS | Food Stamps  | Income-<br>Eligible | JOBS/<br>Choices | Transitional | Other [b] | Multiple Elig.<br>Types |
|--------------------------------------------|---------------|-----------------------|--------------|---------------------|------------------|--------------|-----------|-------------------------|
| Total Cases                                | 69,109        | 5,923                 | 9,683        | 8,820               | 19,552           | 5,921        | 781       | 17,886                  |
| Full-Day [a]                               | 88.2%         | 89.2%                 | 89.1%        | 88.6%               | 82.1%            | 88.8%        | 95.3%     | 93.4%                   |
| Part-Day [a]                               | 42.6%         | 37.5%                 | 48.6%        | 36.6%               | 40.7%            | 35.0%        | 7.8%      | 51.0%                   |
| Total Service Units [c]                    | 14,508,603    | 1,099,072             | 2,601,907    | 1,851,069           | 2,362,846        | 879,907      | 47,497    | 5,627,615               |
| Full-Day                                   | 10,419,418    | 802,857               | 1,771,727    | 1,289,355           | 1,724,962        | 658,689      | 44,882    | 4,090,381               |
| Part-Day                                   | 4,089,225     | 296,215               | 830,193      | 561,717             | 637,888          | 221,220      | 2,615     | 1,537,252               |
| Number of Service Units per Case (in days) | 209.9         | 185.6                 | 268.7        | 209.9               | 120.8            | 148.6        | 60.8      | 314.6                   |
| Full-Day                                   | 170.8         | 151.9                 | 205.4        | 165.0               | 107.5            | 125.3        | 60.3      | 244.9                   |
| Part-Day                                   | 138.9         | 133.5                 | 176.3        | 173.9               | 80.1             | 106.6        | 42.9      | 168.7                   |
| Total Subsidies [c]                        | \$148,114,729 | \$12,877,680          | \$23,346,342 | \$16,554,951        | \$27,572,538     | \$8,837,634  | \$674,541 | \$57,741,039            |
| Full-Day                                   | \$114,124,585 | \$10,120,888          | \$16,960,607 | \$12,335,449        | \$21,748,138     | \$7,021,646  | \$650,494 | \$44,797,628            |
| Part-Day                                   | \$33,995,964  | \$2,756,958           | \$6,387,787  | \$4,220,841         | \$5,824,544      | \$1,816,179  | \$24,046  | \$12,945,338            |

[a] The total shares of full-day and part-day cases can exceed 100 percent because some cases receive both full-day and part-day care.

[b] Includes AFDC/TANF, Special Projects, Teen Parents not elsewhere classified, SSI, and ISD Pre-Kindergarten.

[c] Numbers here will not agree with Figures 1-3 in the main report, which are computed on a monthly basis and therefore do not include a 'multiple eligibility types' category.

**Table B-2**  
**Summary of Subsidy Amounts and Service Units for Families Receiving**  
**Subsidized Child Care Services in FFY1995 by Client Group**

| Subsidy and Service Trends                 | All Cases     | CPS and<br>Former CPS | Food Stamps  | Income-<br>Eligible | JOBS/<br>Choices | Transitional | Other [b]   | Multiple Elig.<br>Types |
|--------------------------------------------|---------------|-----------------------|--------------|---------------------|------------------|--------------|-------------|-------------------------|
| Total Cases                                | 79,096        | 6,321                 | 12,385       | 13,529              | 18,042           | 7,119        | 1,659       | 19,166                  |
| Full-Day [a]                               | 86.6%         | 87.1%                 | 85.3%        | 84.9%               | 81.5%            | 87.5%        | 97.5%       | 91.5%                   |
| Part-Day [a]                               | 43.0%         | 39.1%                 | 48.8%        | 38.1%               | 41.6%            | 38.4%        | 4.8%        | 51.7%                   |
| Total Service Units [c]                    | 16,561,802    | 1,244,348             | 3,102,987    | 2,450,168           | 2,283,016        | 1,123,462    | 139,788     | 6,142,486               |
| Full-Day                                   | 11,213,106    | 868,140               | 1,933,008    | 1,584,441           | 1,609,065        | 796,862      | 136,157     | 4,213,414               |
| Part-Day                                   | 5,348,723     | 376,208               | 1,169,987    | 865,729             | 673,951          | 326,600      | 3,631       | 1,929,089               |
| Number of Service Units per Case (in days) | 209.4         | 196.9                 | 250.5        | 181.1               | 126.5            | 157.8        | 84.3        | 320.5                   |
| Full-Day                                   | 163.8         | 157.8                 | 183.0        | 138.0               | 109.4            | 128.0        | 84.2        | 240.3                   |
| Part-Day                                   | 157.4         | 152.3                 | 193.4        | 167.8               | 89.8             | 119.3        | 46.0        | 194.7                   |
| Total Subsidies [c]                        | \$169,142,951 | \$14,576,899          | \$27,948,958 | \$22,320,009        | \$26,844,218     | \$11,339,751 | \$2,522,962 | \$62,604,531            |
| Full-Day                                   | \$124,292,222 | \$11,092,160          | \$18,671,901 | \$15,586,595        | \$20,660,956     | \$8,587,426  | \$2,484,960 | \$46,258,272            |
| Part-Day                                   | \$44,854,717  | \$3,484,822           | \$9,278,105  | \$6,734,080         | \$6,183,386      | \$2,752,920  | \$38,002    | \$16,347,731            |

[a] The total shares of full-day and part-day cases can exceed 100 percent because some cases receive both full-day and part-day care.

[b] Includes AFDC/TANF, Special Projects, Teen Parents not elsewhere classified, SSI, and ISD Pre-Kindergarten.

[c] Numbers here will not agree with Figures 1-3 in the main report, which are computed on a monthly basis and therefore do not include a 'multiple eligibility types' category.

**Table B-3**  
**Summary of Subsidy Amounts and Service Units for Families Receiving**  
**Subsidized Child Care Services in FFY1996 by Client Group**

| Subsidy and Service Trends                 | All Cases     | CPS and<br>Former CPS | Food Stamps  | Income-<br>Eligible | JOBS/<br>Choices | Transitional | Other [b]   | Multiple Elig.<br>Types |
|--------------------------------------------|---------------|-----------------------|--------------|---------------------|------------------|--------------|-------------|-------------------------|
| Total Cases                                | 75,256        | 4,655                 | 10,530       | 14,494              | 17,010           | 6,096        | 1,697       | 20,002                  |
| Full-Day [a]                               | 85.7%         | 87.1%                 | 82.6%        | 81.7%               | 83.0%            | 86.1%        | 96.8%       | 90.8%                   |
| Part-Day [a]                               | 44.2%         | 39.4%                 | 52.9%        | 41.1%               | 40.5%            | 39.0%        | 5.1%        | 52.5%                   |
| Total Service Units [c]                    | 16,716,775    | 908,449               | 2,835,430    | 2,976,610           | 2,169,053        | 926,103      | 167,448     | 6,660,367               |
| Full-Day                                   | 11,037,582    | 629,884               | 1,671,727    | 1,821,192           | 1,542,432        | 657,691      | 162,710     | 4,483,082               |
| Part-Day                                   | 5,679,249     | 278,565               | 1,163,705    | 1,155,424           | 626,637          | 268,416      | 4,738       | 2,177,313               |
| Number of Service Units per Case (in days) | 222.1         | 195.2                 | 269.3        | 205.4               | 127.5            | 151.9        | 98.7        | 333.0                   |
| Full-Day                                   | 171.2         | 155.4                 | 192.2        | 153.8               | 109.3            | 125.4        | 99.0        | 246.7                   |
| Part-Day                                   | 170.6         | 151.9                 | 209.0        | 194.2               | 90.9             | 112.8        | 55.1        | 207.4                   |
| Total Subsidies [c]                        | \$170,417,138 | \$10,798,572          | \$24,810,896 | \$26,655,801        | \$25,997,100     | \$9,237,236  | \$3,273,387 | \$68,671,348            |
| Full-Day                                   | \$123,016,906 | \$8,131,155           | \$15,760,261 | \$18,022,830        | \$20,034,696     | \$6,980,539  | \$3,224,844 | \$49,931,521            |
| Part-Day                                   | \$47,406,153  | \$2,667,551           | \$9,051,673  | \$8,634,923         | \$5,962,635      | \$2,256,881  | \$48,560    | \$18,742,175            |

[a] The total shares of full-day and part-day cases can exceed 100 percent because some cases receive both full-day and part-day care.

[b] Includes AFDC/TANF, Special Projects, Teen Parents not elsewhere classified, SSI, and ISD Pre-Kindergarten.

[c] Numbers here will not agree with Figures 1-3 in the main report, which are computed on a monthly basis and therefore do not include a 'multiple eligibility types' category.

**Table B-4**  
**Summary of Subsidy Amounts and Service Units for Families Receiving**  
**Subsidized Child Care Services in FFY1997 by Client Group**

| Subsidy and Service Trends                 | All Cases     | CPS and<br>Former CPS | Food Stamps  | Income-<br>Eligible | JOBS/<br>Choices | Transitional | Other [b]   | Multiple Elig.<br>Types |
|--------------------------------------------|---------------|-----------------------|--------------|---------------------|------------------|--------------|-------------|-------------------------|
| Total Cases                                | 76,852        | 4,354                 | 10,638       | 18,511              | 14,587           | 6,213        | 1,732       | 20,817                  |
| Full-Day [a]                               | 86.0%         | 86.3%                 | 81.7%        | 83.7%               | 84.2%            | 86.6%        | 97.6%       | 90.3%                   |
| Part-Day [a]                               | 44.0%         | 39.3%                 | 53.6%        | 39.9%               | 38.3%            | 40.1%        | 4.2%        | 52.3%                   |
| Total Service Units [c]                    | 17,516,543    | 772,459               | 2,795,257    | 4,016,361           | 1,735,441        | 1,076,399    | 163,443     | 6,957,183               |
| Full-Day                                   | 11,504,713    | 531,858               | 1,622,744    | 2,558,980           | 1,246,325        | 751,569      | 159,999     | 4,633,238               |
| Part-Day                                   | 6,011,885     | 240,601               | 1,172,530    | 1,457,403           | 489,120          | 324,830      | 3,444       | 2,323,957               |
| Number of Service Units per Case (in days) | 227.9         | 177.4                 | 262.8        | 217.0               | 119.0            | 173.2        | 94.4        | 334.2                   |
| Full-Day                                   | 174.1         | 141.6                 | 186.7        | 165.1               | 101.4            | 139.6        | 94.6        | 246.6                   |
| Part-Day                                   | 177.6         | 140.7                 | 205.6        | 197.2               | 87.6             | 130.3        | 47.8        | 213.3                   |
| Total Subsidies [c]                        | \$193,037,509 | \$9,866,300           | \$26,318,423 | \$41,194,660        | \$22,566,061     | \$12,012,814 | \$3,394,583 | \$77,684,669            |
| Full-Day                                   | \$138,072,535 | \$7,381,643           | \$16,507,737 | \$28,637,468        | \$17,450,746     | \$8,954,137  | \$3,354,240 | \$55,786,564            |
| Part-Day                                   | \$54,968,994  | \$2,484,784           | \$9,811,530  | \$12,558,243        | \$5,115,467      | \$3,058,954  | \$40,342    | \$21,899,675            |

[a] The total shares of full-day and part-day cases can exceed 100 percent because some cases receive both full-day and part-day care.

[b] Includes AFDC/TANF, Special Projects, Teen Parents not elsewhere classified, SSI, and ISD Pre-Kindergarten.

[c] Numbers here will not agree with Figures 1-3 in the main report, which are computed on a monthly basis and therefore do not include a 'multiple eligibility types' category.

**Table B-5**  
**Characteristics of Families and Children Receiving Subsidized Child Care Services in FFY1994 by Client Group [a]**

| Characteristics                   | All Cases |         | CPS and<br>Former CPS | Food Stamps | Income-<br>Eligible | JOBS/<br>Choices | Transitional | Other [b] |
|-----------------------------------|-----------|---------|-----------------------|-------------|---------------------|------------------|--------------|-----------|
| Family-level Characteristics      | Number    | Percent |                       |             |                     |                  |              |           |
| Total Families                    | 68,566    |         | 11,216                | 19,037      | 16,021              | 26,562           | 14,745       | 1,627     |
| Distribution of Families          |           | 100.0%  | 16.4%                 | 27.8%       | 23.4%               | 38.7%            | 21.5%        | 2.4%      |
| Number of CCMS-recipient Children |           |         |                       |             |                     |                  |              |           |
| 1                                 | 33,199    | 48.4%   | 40.1%                 | 39.5%       | 52.8%               | 48.6%            | 42.1%        | 73.8%     |
| 2                                 | 22,375    | 32.6%   | 34.3%                 | 36.5%       | 30.9%               | 32.7%            | 35.8%        | 19.4%     |
| 3 or more                         | 12,992    | 18.9%   | 25.6%                 | 24.0%       | 16.3%               | 18.7%            | 22.1%        | 6.8%      |
| Mean Age of Caretakers            | 25.8      |         | 27.0                  | 26.7        | 26.0                | 24.8             | 25.5         | 21.3      |
| Distribution of Caretakers        |           |         |                       |             |                     |                  |              |           |
| <17                               | 3,602     | 6.7%    | 4.7%                  | 2.7%        | 12.0%               | 6.0%             | 1.9%         | 44.6%     |
| 18-24                             | 22,509    | 42.0%   | 43.1%                 | 37.7%       | 32.7%               | 49.9%            | 48.9%        | 30.0%     |
| 25-34                             | 21,912    | 40.9%   | 37.0%                 | 49.5%       | 44.3%               | 36.1%            | 41.8%        | 17.2%     |
| 35-44                             | 4,761     | 8.9%    | 10.1%                 | 9.5%        | 9.8%                | 7.2%             | 6.9%         | 6.4%      |
| 45+                               | 789       | 1.5%    | 5.2%                  | 0.7%        | 1.2%                | 0.8%             | 0.5%         | 1.8%      |
| CCMS Region of Residence          |           |         |                       |             |                     |                  |              |           |
| Amarillo (01)                     | 1,485     | 2.2%    | 4.1%                  | 2.8%        | 1.9%                | 1.5%             | 1.6%         | 1.8%      |
| Lubbock (02)                      | 1,032     | 1.5%    | 1.6%                  | 1.6%        | 1.4%                | 1.1%             | 0.9%         | 1.8%      |
| Odessa (03)                       | 1,730     | 2.5%    | 3.6%                  | 3.1%        | 3.3%                | 1.6%             | 1.8%         | 2.5%      |
| El Paso (04)                      | 4,458     | 6.5%    | 6.8%                  | 9.0%        | 9.1%                | 4.4%             | 4.0%         | 0.3%      |
| San Angelo (05)                   | 569       | 0.8%    | 0.8%                  | 1.1%        | 1.0%                | 0.6%             | 0.8%         | 0.9%      |
| Wichita Falls (06)                | 762       | 1.1%    | 1.1%                  | 1.5%        | 1.5%                | 0.8%             | 0.9%         | 0.9%      |
| Sweetwater (07)                   | 1,107     | 1.6%    | 1.5%                  | 1.7%        | 2.4%                | 1.1%             | 1.8%         | 2.8%      |
| Dallas (08)                       | 7,765     | 11.3%   | 9.7%                  | 8.1%        | 9.1%                | 13.0%            | 18.7%        | 8.5%      |
| Fort Worth (09)                   | 4,331     | 6.3%    | 7.3%                  | 7.1%        | 6.2%                | 5.7%             | 7.4%         | 9.3%      |
| Denton (10)                       | 2,355     | 3.4%    | 2.8%                  | 3.4%        | 3.4%                | 3.9%             | 4.3%         | 3.3%      |
| Plano (11)                        | 1,138     | 1.7%    | 2.2%                  | 2.1%        | 2.1%                | 1.2%             | 1.9%         | 1.7%      |
| Bryan (12)                        | 908       | 1.3%    | 0.7%                  | 1.3%        | 1.1%                | 1.9%             | 1.5%         | 0.8%      |
| San Saba (13)                     | 1,052     | 1.5%    | 2.1%                  | 1.5%        | 1.4%                | 1.4%             | 1.3%         | 1.4%      |
| Austin (14)                       | 2,921     | 4.3%    | 5.3%                  | 3.3%        | 5.7%                | 3.9%             | 4.2%         | 11.7%     |
| Waco (15)                         | 1,038     | 1.5%    | 1.5%                  | 1.9%        | 0.8%                | 1.6%             | 1.2%         | 0.4%      |
| Athens (16)                       | 2,311     | 3.4%    | 2.9%                  | 3.7%        | 2.8%                | 3.5%             | 3.7%         | 2.4%      |
| Pharr (18)                        | 4,257     | 6.2%    | 4.9%                  | 8.1%        | 5.9%                | 6.8%             | 4.3%         | 5.8%      |
| Corpus Christi (19)               | 2,826     | 4.1%    | 5.1%                  | 4.9%        | 5.0%                | 3.6%             | 2.7%         | 5.0%      |
| Victoria (20)                     | 765       | 1.1%    | 1.5%                  | 1.3%        | 1.4%                | 0.8%             | 0.9%         | 0.3%      |
| Laredo (21)                       | 1,232     | 1.8%    | 1.4%                  | 2.8%        | 2.7%                | 1.1%             | 1.1%         | 2.9%      |
| San Antonio (22)                  | 8,083     | 11.8%   | 12.7%                 | 13.4%       | 14.0%               | 10.8%            | 10.4%        | 11.8%     |
| Uvalde (23)                       | 814       | 1.2%    | 1.7%                  | 1.8%        | 1.1%                | 0.7%             | 1.0%         | 1.9%      |
| Jasper (24)                       | 1,107     | 1.6%    | 1.7%                  | 1.8%        | 1.5%                | 1.5%             | 2.0%         | 1.3%      |
| Beaumont (25)                     | 1,772     | 2.6%    | 3.2%                  | 2.4%        | 1.5%                | 3.2%             | 2.3%         | 2.3%      |
| Houston (26)                      | 10,012    | 14.6%   | 10.0%                 | 8.0%        | 10.1%               | 19.8%            | 15.5%        | 12.0%     |
| Galveston (27)                    | 2,736     | 4.0%    | 3.8%                  | 2.5%        | 3.7%                | 4.5%             | 3.9%         | 6.0%      |



Table B-5 (cont.)

| Characteristics                    | All Cases |         | CPS and<br>Former CPS | Food Stamps | Income-<br>Eligible | JOBS/<br>Choices | Transitional | Other [b] |
|------------------------------------|-----------|---------|-----------------------|-------------|---------------------|------------------|--------------|-----------|
|                                    | Number    | Percent |                       |             |                     |                  |              |           |
| <b>Child-level Characteristics</b> |           |         |                       |             |                     |                  |              |           |
| Total Children                     | 121,808   |         | 20,866                | 34,679      | 24,501              | 45,436           | 26,512       | 1,869     |
| Distribution of Total Children     |           | 100.0%  | 17.1%                 | 28.5%       | 20.1%               | 37.3%            | 21.8%        | 1.5%      |
| Race/Ethnicity                     |           |         |                       |             |                     |                  |              |           |
| Anglo                              | 22,248    | 18.3%   | 18.8%                 | 19.2%       | 21.3%               | 17.1%            | 16.6%        | 12.3%     |
| Black                              | 33,642    | 27.6%   | 27.6%                 | 25.5%       | 23.4%               | 30.5%            | 29.8%        | 33.3%     |
| Hispanic                           | 41,222    | 33.8%   | 29.4%                 | 39.7%       | 37.7%               | 33.4%            | 27.1%        | 33.0%     |
| Unknown/Other                      | 24,696    | 20.3%   | 24.2%                 | 15.5%       | 17.5%               | 19.0%            | 26.4%        | 21.5%     |
| Gender                             |           |         |                       |             |                     |                  |              |           |
| Male                               | 60,808    | 49.9%   | 50.2%                 | 49.7%       | 50.8%               | 49.9%            | 50.5%        | 51.0%     |
| Female                             | 59,542    | 48.9%   | 48.7%                 | 49.2%       | 48.2%               | 49.3%            | 48.7%        | 47.5%     |
| Mean Age of Children (years)       | 3.3       |         | 3.2                   | 3.7         | 3.4                 | 3.1              | 3.4          | 1.6       |
| Distribution of Children by Age    |           |         |                       |             |                     |                  |              |           |
| 0-2                                | 54,450    | 44.7%   | 46.6%                 | 39.1%       | 43.5%               | 48.4%            | 43.8%        | 71.6%     |
| 3-5                                | 40,735    | 33.4%   | 33.7%                 | 36.4%       | 34.2%               | 32.5%            | 34.3%        | 21.5%     |
| 6-13                               | 25,145    | 20.6%   | 18.6%                 | 23.4%       | 21.3%               | 18.2%            | 21.2%        | 5.2%      |

[a] The sum of all cases by client group will exceed the annual total due to some families having children in more than one client group or due to families changing client groups during the FFY.

[b] Includes AFDC/TANF, Special Projects, Teen Parents not elsewhere classified, SSI, and ISD Pre-Kindergarten.

**Table B-6**  
**Characteristics of Families and Children Receiving Subsidized Child Care Services in FFY1995 by Client Group [a]**

| Characteristics                   | All Cases |         | CPS and<br>Former CPS | Food Stamps | Income-<br>Eligible | JOBS/<br>Choices | Transitional | Other [b] |
|-----------------------------------|-----------|---------|-----------------------|-------------|---------------------|------------------|--------------|-----------|
| Family-level Characteristics      | Number    | Percent |                       |             |                     |                  |              |           |
| Total Families                    | 78,221    |         | 11,169                | 22,514      | 21,819              | 25,139           | 16,606       | 2,709     |
| Distribution of Families          |           | 100.0%  | 14.3%                 | 28.8%       | 27.9%               | 32.1%            | 21.2%        | 3.5%      |
| Number of CCMS-recipient Children |           |         |                       |             |                     |                  |              |           |
| 1                                 | 37,481    | 47.9%   | 39.7%                 | 38.1%       | 52.1%               | 47.8%            | 41.4%        | 81.8%     |
| 2                                 | 25,412    | 32.5%   | 33.0%                 | 36.7%       | 31.5%               | 32.3%            | 35.4%        | 14.1%     |
| 3 or more                         | 15,328    | 19.6%   | 27.3%                 | 25.2%       | 16.4%               | 19.8%            | 23.2%        | 4.1%      |
| Mean Age of Caretakers            | 26.1      |         | 27.4                  | 26.9        | 26.4                | 24.9             | 25.6         | 21.6      |
| Distribution of Caretakers        |           |         |                       |             |                     |                  |              |           |
| <17                               | 4,178     | 6.6%    | 4.6%                  | 2.3%        | 10.8%               | 6.0%             | 2.0%         | 42.4%     |
| 18-24                             | 25,398    | 40.4%   | 41.8%                 | 36.2%       | 31.1%               | 50.2%            | 48.0%        | 30.2%     |
| 25-34                             | 26,264    | 41.8%   | 36.6%                 | 50.7%       | 46.0%               | 35.3%            | 42.4%        | 19.4%     |
| 35-44                             | 5,990     | 9.5%    | 11.3%                 | 9.9%        | 10.7%               | 7.6%             | 7.1%         | 6.4%      |
| 45+                               | 1,027     | 1.6%    | 5.8%                  | 0.9%        | 1.5%                | 0.9%             | 0.6%         | 1.7%      |
| CCMS Region of Residence          |           |         |                       |             |                     |                  |              |           |
| Amarillo (01)                     | 1,631     | 2.1%    | 4.2%                  | 2.4%        | 2.0%                | 1.4%             | 1.3%         | 1.4%      |
| Lubbock (02)                      | 1,757     | 2.2%    | 2.2%                  | 2.3%        | 2.3%                | 2.4%             | 2.0%         | 2.8%      |
| Odessa (03)                       | 1,973     | 2.5%    | 5.1%                  | 3.3%        | 2.6%                | 1.6%             | 1.6%         | 2.0%      |
| El Paso (04)                      | 5,208     | 6.7%    | 9.3%                  | 9.5%        | 7.5%                | 4.5%             | 4.4%         | 5.1%      |
| San Angelo (05)                   | 614       | 0.8%    | 0.8%                  | 1.1%        | 0.9%                | 0.6%             | 0.7%         | 0.3%      |
| Wichita Falls (06)                | 952       | 1.2%    | 1.4%                  | 1.6%        | 1.7%                | 0.8%             | 0.8%         | 0.5%      |
| Sweetwater (07)                   | 1,270     | 1.6%    | 2.2%                  | 1.7%        | 2.2%                | 1.0%             | 1.7%         | 2.6%      |
| Dallas (08)                       | 8,266     | 10.6%   | 9.3%                  | 6.7%        | 8.9%                | 11.4%            | 18.7%        | 6.6%      |
| Fort Worth (09)                   | 4,758     | 6.1%    | 6.7%                  | 5.6%        | 6.1%                | 5.8%             | 7.6%         | 10.4%     |
| Denton (10)                       | 1,980     | 2.5%    | 2.2%                  | 2.1%        | 2.4%                | 2.3%             | 3.3%         | 2.3%      |
| Plano (11)                        | 1,493     | 1.9%    | 1.9%                  | 1.7%        | 2.0%                | 1.6%             | 2.6%         | 1.4%      |
| Bryan (12)                        | 789       | 1.0%    | 0.4%                  | 0.8%        | 0.8%                | 1.4%             | 1.4%         | 2.0%      |
| San Saba (13)                     | 1,144     | 1.5%    | 2.1%                  | 1.5%        | 1.4%                | 1.3%             | 1.5%         | 0.5%      |
| Austin (14)                       | 3,085     | 3.9%    | 3.9%                  | 2.9%        | 4.4%                | 3.3%             | 4.3%         | 11.8%     |
| Waco (15)                         | 1,127     | 1.4%    | 1.3%                  | 2.1%        | 1.0%                | 1.2%             | 1.4%         | 0.9%      |
| Athens (16)                       | 2,253     | 2.9%    | 2.5%                  | 3.0%        | 2.6%                | 3.5%             | 3.3%         | 1.3%      |
| Pharr (18)                        | 5,531     | 7.1%    | 4.6%                  | 9.2%        | 6.1%                | 8.5%             | 4.1%         | 10.2%     |
| Corpus Christi (19)               | 3,293     | 4.2%    | 3.7%                  | 5.1%        | 4.7%                | 4.2%             | 2.6%         | 3.1%      |
| Victoria (20)                     | 1,126     | 1.4%    | 1.9%                  | 1.8%        | 1.8%                | 0.9%             | 0.8%         | 1.7%      |
| Laredo (21)                       | 1,490     | 1.9%    | 1.3%                  | 3.1%        | 2.6%                | 1.1%             | 0.9%         | 2.3%      |
| San Antonio (22)                  | 9,058     | 11.6%   | 10.1%                 | 13.1%       | 12.9%               | 11.8%            | 9.9%         | 5.8%      |
| Uvalde (23)                       | 1,108     | 1.4%    | 2.0%                  | 2.2%        | 1.7%                | 0.7%             | 0.9%         | 1.0%      |
| Jasper (24)                       | 1,281     | 1.6%    | 2.3%                  | 1.9%        | 1.3%                | 1.6%             | 1.8%         | 3.2%      |
| Beaumont (25)                     | 1,858     | 2.4%    | 3.0%                  | 2.3%        | 1.4%                | 2.8%             | 2.7%         | 1.6%      |
| Houston (26)                      | 11,853    | 15.2%   | 11.2%                 | 10.2%       | 14.2%               | 19.8%            | 16.0%        | 13.3%     |
| Galveston (27)                    | 3,323     | 4.2%    | 4.5%                  | 3.1%        | 4.5%                | 4.2%             | 3.7%         | 6.0%      |

Table B-6 (cont.)

| Characteristics                    | All Cases |         | CPS and<br>Former CPS | Food Stamps | Income-<br>Eligible | JOBS/<br>Choices | Transitional | Other [b] |
|------------------------------------|-----------|---------|-----------------------|-------------|---------------------|------------------|--------------|-----------|
|                                    | Number    | Percent |                       |             |                     |                  |              |           |
| <b>Child-level Characteristics</b> |           |         |                       |             |                     |                  |              |           |
| Total Children                     | 140,703   |         | 21,519                | 42,109      | 34,355              | 43,709           | 30,636       | 3,043     |
| Distribution of Children           |           | 100.0%  | 15.3%                 | 29.9%       | 24.4%               | 31.1%            | 21.8%        | 2.2%      |
| Race/Ethnicity                     |           |         |                       |             |                     |                  |              |           |
| Anglo                              | 24,977    | 17.8%   | 18.6%                 | 17.1%       | 20.3%               | 16.9%            | 16.5%        | 13.3%     |
| Black                              | 39,126    | 27.8%   | 26.3%                 | 26.4%       | 25.5%               | 30.9%            | 31.3%        | 32.1%     |
| Hispanic                           | 49,076    | 34.9%   | 29.4%                 | 41.7%       | 36.2%               | 35.9%            | 26.2%        | 33.7%     |
| Unknown/Other                      | 27,524    | 19.6%   | 25.7%                 | 14.7%       | 18.0%               | 16.3%            | 25.9%        | 21.0%     |
| Gender                             |           |         |                       |             |                     |                  |              |           |
| Male                               | 69,810    | 49.6%   | 50.1%                 | 49.4%       | 50.3%               | 49.3%            | 49.7%        | 49.9%     |
| Female                             | 68,034    | 48.4%   | 47.9%                 | 48.6%       | 47.7%               | 48.4%            | 48.4%        | 47.6%     |
| Mean Age of Children (years)       | 3.5       |         | 3.4                   | 3.9         | 3.7                 | 3.2              | 3.5          | 1.9       |
| Distribution of Children by Age    |           |         |                       |             |                     |                  |              |           |
| 0-2                                | 58,115    | 41.3%   | 43.8%                 | 35.4%       | 39.3%               | 45.8%            | 41.4%        | 58.9%     |
| 3-5                                | 47,744    | 33.9%   | 33.8%                 | 36.0%       | 34.0%               | 33.0%            | 34.3%        | 35.9%     |
| 6-13                               | 31,960    | 22.7%   | 20.4%                 | 26.6%       | 24.7%               | 18.9%            | 22.4%        | 2.7%      |

[a] The sum of all cases by client group will exceed the annual total due to some families having children in more than one client group or due to families changing client groups during the FFY.

[b] Includes AFDC/TANF, Special Projects, Teen Parents not elsewhere classified, SSI, and ISD Pre-Kindergarten.

BEST COPY AVAILABLE

**Table B-7**  
**Characteristics of Families and Children Receiving Subsidized Child Care Services in FFY1996 by Client Group [a]**

| Characteristics                   | All Cases |         | CPS and<br>Former CPS | Food Stamps | Income-<br>Eligible | JOBS/<br>Chokes | Transitional | Other [b] |
|-----------------------------------|-----------|---------|-----------------------|-------------|---------------------|-----------------|--------------|-----------|
| Family-level Characteristics      | Number    | Percent |                       |             |                     |                 |              |           |
| Total Families                    | 74,484    |         | 9,146                 | 21,269      | 24,596              | 23,767          | 15,803       | 2,910     |
| Distribution of Total Families    |           | 100.0%  | 12.3%                 | 28.6%       | 33.0%               | 31.9%           | 21.2%        | 3.9%      |
| Number of CCMS-recipient Children |           |         |                       |             |                     |                 |              |           |
| 1                                 | 36,483    | 49.0%   | 40.4%                 | 37.4%       | 52.4%               | 48.9%           | 40.8%        | 82.2%     |
| 2                                 | 23,961    | 32.2%   | 33.7%                 | 37.1%       | 31.4%               | 31.8%           | 35.6%        | 14.0%     |
| 3 or more                         | 14,040    | 18.8%   | 25.9%                 | 25.5%       | 16.2%               | 19.4%           | 23.6%        | 3.7%      |
| Mean Age of Caretakers            | 25.9      |         | 27.1                  | 27.0        | 26.1                | 24.6            | 25.6         | 21.5      |
| Distribution of Caretakers        |           |         |                       |             |                     |                 |              |           |
| <17                               | 4,596     | 7.5%    | 4.4%                  | 1.9%        | 11.3%               | 7.3%            | 1.9%         | 41.6%     |
| 18-24                             | 24,709    | 40.4%   | 44.5%                 | 36.4%       | 32.6%               | 50.0%           | 47.8%        | 31.9%     |
| 25-34                             | 25,056    | 40.9%   | 34.6%                 | 50.7%       | 43.9%               | 34.0%           | 42.3%        | 18.6%     |
| 35-44                             | 5,954     | 9.7%    | 10.9%                 | 10.3%       | 10.9%               | 7.8%            | 7.3%         | 6.3%      |
| 45+                               | 918       | 1.5%    | 5.7%                  | 0.8%        | 1.3%                | 0.8%            | 0.6%         | 1.7%      |
| CCMS Region of Residence          |           |         |                       |             |                     |                 |              |           |
| Amarillo (01)                     | 1,801     | 2.4%    | 3.0%                  | 3.1%        | 3.0%                | 1.5%            | 1.4%         | 1.1%      |
| Lubbock (02)                      | 1,831     | 2.5%    | 3.6%                  | 2.7%        | 2.5%                | 2.2%            | 1.8%         | 2.6%      |
| Odessa (03)                       | 1,703     | 2.3%    | 3.5%                  | 3.3%        | 2.2%                | 1.6%            | 1.8%         | 1.5%      |
| El Paso (04)                      | 4,602     | 6.2%    | 7.4%                  | 9.5%        | 5.1%                | 4.9%            | 4.7%         | 3.8%      |
| San Angelo (05)                   | 544       | 0.7%    | 0.9%                  | 0.9%        | 0.8%                | 0.5%            | 0.7%         | 0.4%      |
| Wichita Falls (06)                | 913       | 1.2%    | 1.5%                  | 1.5%        | 1.6%                | 0.7%            | 0.9%         | 0.4%      |
| Sweetwater (07)                   | 1,219     | 1.6%    | 2.1%                  | 1.8%        | 2.0%                | 0.8%            | 1.7%         | 1.9%      |
| Dallas (08)                       | 8,601     | 11.5%   | 9.7%                  | 7.9%        | 11.3%               | 13.3%           | 17.8%        | 7.6%      |
| Fort Worth (09)                   | 4,373     | 5.9%    | 7.5%                  | 5.5%        | 6.3%                | 5.5%            | 7.0%         | 10.1%     |
| Denton (10)                       | 1,611     | 2.2%    | 2.6%                  | 1.8%        | 2.1%                | 2.3%            | 2.7%         | 1.6%      |
| Plano (11)                        | 1,490     | 2.0%    | 2.0%                  | 1.8%        | 2.1%                | 1.8%            | 2.6%         | 1.0%      |
| Bryan (12)                        | 900       | 1.2%    | 0.4%                  | 1.0%        | 0.9%                | 1.5%            | 1.3%         | 4.5%      |
| San Saba (13)                     | 1,153     | 1.5%    | 2.5%                  | 1.8%        | 1.3%                | 1.2%            | 1.7%         | 0.8%      |
| Austin (14)                       | 2,985     | 4.0%    | 4.2%                  | 3.1%        | 4.2%                | 3.5%            | 4.2%         | 14.3%     |
| Waco (15)                         | 1,173     | 1.6%    | 1.3%                  | 2.1%        | 1.0%                | 1.5%            | 1.5%         | 1.3%      |
| Athens (16)                       | 2,379     | 3.2%    | 3.3%                  | 3.4%        | 3.6%                | 3.2%            | 3.5%         | 2.4%      |
| Pharr (18)                        | 5,651     | 7.6%    | 4.5%                  | 9.6%        | 6.4%                | 9.1%            | 3.8%         | 8.0%      |
| Corpus Christi (19)               | 2,803     | 3.8%    | 3.0%                  | 3.8%        | 3.5%                | 4.8%            | 2.9%         | 2.8%      |
| Victoria (20)                     | 875       | 1.2%    | 1.4%                  | 1.4%        | 1.3%                | 0.7%            | 0.7%         | 1.4%      |
| Laredo (21)                       | 1,621     | 2.2%    | 2.2%                  | 3.9%        | 2.4%                | 0.9%            | 0.8%         | 1.5%      |
| San Antonio (22)                  | 8,412     | 11.3%   | 8.5%                  | 12.0%       | 13.6%               | 11.4%           | 10.0%        | 6.1%      |
| Uvalde (23)                       | 963       | 1.3%    | 1.8%                  | 2.1%        | 1.5%                | 0.6%            | 0.7%         | 1.1%      |
| Jasper (24)                       | 1,361     | 1.8%    | 2.6%                  | 2.5%        | 1.5%                | 1.5%            | 1.7%         | 4.5%      |
| Beaumont (25)                     | 1,663     | 2.2%    | 2.2%                  | 2.0%        | 0.9%                | 3.0%            | 3.0%         | 1.4%      |
| Houston (26)                      | 10,746    | 14.4%   | 13.4%                 | 8.1%        | 14.3%               | 18.1%           | 17.1%        | 12.4%     |
| Galveston (27)                    | 3,111     | 4.2%    | 4.9%                  | 3.2%        | 4.5%                | 3.9%            | 4.2%         | 5.5%      |

Table B-7 (cont.)

| Characteristics                    | All Cases |         | CPS and<br>Former CPS | Food Stamps | Income-<br>Eligible | JOBS/<br>Choices | Transitional | Other [b] |
|------------------------------------|-----------|---------|-----------------------|-------------|---------------------|------------------|--------------|-----------|
|                                    | Number    | Percent |                       |             |                     |                  |              |           |
| <b>Child-level Characteristics</b> |           |         |                       |             |                     |                  |              |           |
| Total Children                     | 131,960   |         | 17,106                | 39,884      | 38,830              | 41,037           | 29,273       | 3,248     |
| Distribution of Children           |           | 100.0%  | 13.0%                 | 30.2%       | 29.4%               | 31.1%            | 22.2%        | 2.5%      |
| Race/Ethnicity                     |           |         |                       |             |                     |                  |              |           |
| Anglo                              | 22,466    | 17.0%   | 17.3%                 | 16.5%       | 19.4%               | 15.8%            | 15.9%        | 12.4%     |
| Black                              | 37,889    | 28.7%   | 30.4%                 | 26.7%       | 27.7%               | 31.0%            | 33.2%        | 33.7%     |
| Hispanic                           | 45,657    | 34.6%   | 25.7%                 | 41.3%       | 33.8%               | 36.3%            | 25.8%        | 29.3%     |
| Unknown/Other                      | 25,948    | 19.7%   | 26.7%                 | 15.6%       | 19.1%               | 16.9%            | 25.1%        | 24.6%     |
| Gender                             |           |         |                       |             |                     |                  |              |           |
| Male                               | 65,316    | 49.5%   | 49.3%                 | 49.1%       | 50.1%               | 49.3%            | 49.4%        | 49.7%     |
| Female                             | 63,681    | 48.3%   | 47.6%                 | 48.5%       | 47.7%               | 48.7%            | 48.9%        | 47.9%     |
| Mean Age of Children (years)       | 3.6       |         | 3.4                   | 4.0         | 3.7                 | 3.2              | 3.6          | 2.0       |
| Distribution of Children by Age    |           |         |                       |             |                     |                  |              |           |
| 0-2                                | 54,069    | 41.0%   | 43.4%                 | 34.6%       | 39.5%               | 46.4%            | 40.6%        | 56.0%     |
| 3-5                                | 44,059    | 33.4%   | 33.2%                 | 35.1%       | 33.1%               | 32.9%            | 33.9%        | 40.1%     |
| 6-13                               | 30,843    | 23.4%   | 20.3%                 | 27.9%       | 25.2%               | 18.6%            | 23.9%        | 1.4%      |

[a] The sum of all cases by client group will exceed the annual total due to some families having children in more than one client group or due to families changing client groups during the FFY.

[b] Includes AFDC/TANF, Special Projects, Teen Parents not elsewhere classified, SSI, and ISD Pre-Kindergarten.



**Table B-8**  
**Characteristics of Families and Children Receiving Subsidized Child Care Services in FFY1997 by Client Group [a]**

| Characteristics                                                      | All Cases |         | CPS and<br>Former CPS | Food Stamps | Income-<br>Eligible | JOBS/<br>Choices | Transitional | Other [a] |
|----------------------------------------------------------------------|-----------|---------|-----------------------|-------------|---------------------|------------------|--------------|-----------|
| Family-level Characteristics                                         | Number    | Percent |                       |             |                     |                  |              |           |
| Total Families                                                       | 76,852    |         | 8,949                 | 22,436      | 30,104              | 20,667           | 15,499       | 2,857     |
| Distribution of Total Families                                       |           | 100.0%  | 11.6%                 | 29.2%       | 39.2%               | 26.9%            | 20.2%        | 3.7%      |
| Number of CCMS-recipient Children                                    |           |         |                       |             |                     |                  |              |           |
| 1                                                                    | 37,778    | 49.2%   | 40.9%                 | 38.2%       | 52.7%               | 47.8%            | 39.9%        | 81.4%     |
| 2                                                                    | 24,635    | 32.1%   | 33.8%                 | 37.0%       | 31.2%               | 32.7%            | 35.2%        | 14.7%     |
| 3 or more                                                            | 14,434    | 18.8%   | 25.3%                 | 24.8%       | 16.0%               | 19.6%            | 24.8%        | 3.9%      |
| Mean Age of Caretakers                                               | 26.0      |         | 27.0                  | 27.2        | 26.2                | 24.4             | 25.6         | 24.4      |
| Distribution of Caretakers                                           |           |         |                       |             |                     |                  |              |           |
| <17                                                                  | 5,277     | 7.5%    | 4.3%                  | 1.4%        | 10.5%               | 8.7%             | 1.6%         | 30.2%     |
| 18-24                                                                | 27,862    | 39.5%   | 45.2%                 | 35.7%       | 33.7%               | 49.6%            | 47.7%        | 31.6%     |
| 25-34                                                                | 29,161    | 41.4%   | 35.1%                 | 50.7%       | 43.4%               | 33.2%            | 42.7%        | 26.1%     |
| 35-44                                                                | 7,034     | 10.0%   | 9.8%                  | 11.2%       | 10.9%               | 7.6%             | 7.4%         | 8.8%      |
| 45+                                                                  | 1,164     | 1.7%    | 5.7%                  | 1.0%        | 1.4%                | 0.9%             | 0.6%         | 3.3%      |
| Marital Status of Case Head(c)                                       |           |         |                       |             |                     |                  |              |           |
| Married                                                              | 5,777     | 7.5%    | 7.0%                  | 9.9%        | 9.8%                | 3.1%             | 3.9%         | 8.9%      |
| Single                                                               | 36,840    | 47.9%   | 45.7%                 | 44.9%       | 50.9%               | 46.5%            | 56.0%        | 55.1%     |
| Separated/Divorced                                                   | 10,549    | 13.7%   | 11.7%                 | 19.4%       | 17.4%               | 6.4%             | 10.9%        | 6.7%      |
| Unknown/Other                                                        | 23,681    | 30.8%   | 35.6%                 | 25.9%       | 21.9%               | 44.0%            | 29.2%        | 29.4%     |
| Mean of Monthly Gross Household<br>Income at Initial Eligibility [c] | \$ 832    |         | \$679                 | \$798       | \$881               | \$818            | \$763        | \$758     |
| Distribution of Income [c]                                           |           |         |                       |             |                     |                  |              |           |
| \$0                                                                  | 62,182    | 80.8%   | 85.1%                 | 73.3%       | 73.3%               | 94.1%            | 85.3%        | 87.4%     |
| \$.01-\$575.00                                                       | 3,873     | 5.0%    | 5.9%                  | 6.8%        | 5.7%                | 2.5%             | 4.8%         | 5.2%      |
| \$575.01-\$800.00                                                    | 4,251     | 5.5%    | 4.3%                  | 8.8%        | 6.9%                | 1.8%             | 4.9%         | 2.1%      |
| \$800.01-1050.00                                                     | 3,554     | 4.6%    | 2.9%                  | 6.6%        | 6.8%                | 0.9%             | 3.3%         | 2.3%      |
| \$1050.01+                                                           | 3,127     | 4.1%    | 1.7%                  | 4.6%        | 7.3%                | 0.6%             | 1.8%         | 3.0%      |
| CCMS Region of Residence                                             |           |         |                       |             |                     |                  |              |           |
| Amarillo (01)                                                        | 1,801     | 2.3%    | 3.6%                  | 2.8%        | 2.7%                | 1.5%             | 1.5%         | 0.7%      |
| Lubbock (02)                                                         | 2,054     | 2.7%    | 4.7%                  | 3.1%        | 2.8%                | 2.3%             | 1.9%         | 1.2%      |
| Odessa (03)                                                          | 1,744     | 2.3%    | 3.4%                  | 3.0%        | 2.4%                | 1.7%             | 1.9%         | 1.9%      |
| El Paso (04)                                                         | 5,313     | 6.9%    | 8.5%                  | 10.6%       | 5.9%                | 5.2%             | 4.9%         | 1.8%      |
| San Angelo (05)                                                      | 638       | 0.8%    | 0.8%                  | 1.1%        | 0.9%                | 0.7%             | 0.7%         | 0.1%      |
| Wichita Falls (06)                                                   | 1,023     | 1.3%    | 1.9%                  | 1.8%        | 1.7%                | 0.6%             | 1.0%         | 0.5%      |
| Sweetwater (07)                                                      | 1,528     | 2.0%    | 2.7%                  | 2.2%        | 2.4%                | 0.8%             | 1.7%         | 2.1%      |
| Dallas (08)                                                          | 7,690     | 10.0%   | 7.8%                  | 6.1%        | 8.7%                | 12.5%            | 16.2%        | 10.0%     |
| Fort Worth (09)                                                      | 4,099     | 5.3%    | 6.5%                  | 4.3%        | 5.3%                | 6.2%             | 6.0%         | 12.6%     |
| Denton (10)                                                          | 1,742     | 2.3%    | 2.7%                  | 2.1%        | 2.4%                | 2.5%             | 2.8%         | 2.2%      |
| Plano (11)                                                           | 1,477     | 1.9%    | 1.5%                  | 1.5%        | 2.0%                | 2.0%             | 2.4%         | 0.4%      |
| Bryan (12)                                                           | 848       | 1.1%    | 0.6%                  | 1.0%        | 0.9%                | 1.1%             | 1.6%         | 5.2%      |

Table B-8 (cont.)

| Characteristics                    | All Cases |         | CPS and<br>Former CPS | Food Stamps | Income-<br>Eligible | JOBS/<br>Choices | Transitional | Other [a] |
|------------------------------------|-----------|---------|-----------------------|-------------|---------------------|------------------|--------------|-----------|
| Family-level Characteristics       | Number    | Percent |                       |             |                     |                  |              |           |
| San Saba (13)                      | 1,209     | 1.6%    | 2.4%                  | 1.9%        | 1.4%                | 1.2%             | 1.6%         | 0.7%      |
| Austin (14)                        | 2,940     | 3.8%    | 3.2%                  | 2.9%        | 3.6%                | 3.5%             | 4.2%         | 16.0%     |
| Waco (15)                          | 1,449     | 1.9%    | 1.3%                  | 1.8%        | 1.3%                | 2.4%             | 1.7%         | 5.8%      |
| Athens (16)                        | 2,483     | 3.2%    | 2.7%                  | 2.8%        | 3.2%                | 4.0%             | 3.9%         | 1.9%      |
| Pharr (18)                         | 5,928     | 7.7%    | 5.2%                  | 10.1%       | 6.2%                | 10.2%            | 4.2%         | 5.4%      |
| Corpus Christi (19)                | 3,251     | 4.2%    | 3.8%                  | 4.3%        | 4.3%                | 4.5%             | 3.3%         | 3.1%      |
| Victoria (20)                      | 915       | 1.2%    | 1.2%                  | 1.3%        | 1.3%                | 0.9%             | 0.8%         | 1.4%      |
| Laredo (21)                        | 1,989     | 2.6%    | 2.8%                  | 4.6%        | 2.7%                | 0.7%             | 1.0%         | 1.3%      |
| San Antonio (22)                   | 8,926     | 11.6%   | 8.3%                  | 13.0%       | 13.7%               | 10.7%            | 10.2%        | 6.3%      |
| Uvalde (23)                        | 1,077     | 1.4%    | 2.1%                  | 2.1%        | 1.5%                | 0.6%             | 0.8%         | 0.8%      |
| Jasper (24)                        | 1,490     | 1.9%    | 2.7%                  | 2.6%        | 2.0%                | 1.5%             | 1.5%         | 4.2%      |
| Beaumont (25)                      | 1,707     | 2.2%    | 2.3%                  | 2.3%        | 1.0%                | 3.1%             | 2.6%         | 2.9%      |
| Houston (26)                       | 10,595    | 13.8%   | 13.0%                 | 7.9%        | 15.5%               | 16.5%            | 17.7%        | 6.5%      |
| Galveston (27)                     | 2,931     | 3.8%    | 4.5%                  | 2.7%        | 4.3%                | 3.2%             | 4.1%         | 5.2%      |
| <b>Child-level Characteristics</b> |           |         |                       |             |                     |                  |              |           |
| Total Children                     | 135,440   |         | 16,601                | 41,662      | 47,975              | 35,993           | 29,179       | 3,197     |
| Distribution of Total Children     |           | 100.0%  | 12.3%                 | 30.8%       | 35.4%               | 26.6%            | 21.5%        | 2.4%      |
| Race/Ethnicity                     |           |         |                       |             |                     |                  |              |           |
| Anglo                              | 23,415    | 17.3%   | 17.7%                 | 16.7%       | 19.1%               | 16.3%            | 15.6%        | 15.1%     |
| Black                              | 43,999    | 32.5%   | 34.2%                 | 29.3%       | 32.6%               | 36.0%            | 38.9%        | 37.1%     |
| Hispanic                           | 52,103    | 38.5%   | 32.0%                 | 45.9%       | 37.4%               | 38.2%            | 30.0%        | 30.6%     |
| Unknown/Other                      | 15,915    | 11.8%   | 16.1%                 | 8.1%        | 10.9%               | 9.4%             | 15.5%        | 17.2%     |
| Gender                             |           |         |                       |             |                     |                  |              |           |
| Male                               | 68,726    | 50.7%   | 50.6%                 | 50.5%       | 51.0%               | 50.7%            | 50.6%        | 51.9%     |
| Female                             | 66,671    | 49.2%   | 49.4%                 | 49.5%       | 49.0%               | 49.3%            | 49.4%        | 48.1%     |
| Mean Age of Children (years)       | 3.6       |         | 3.3                   | 4.0         | 3.6                 | 3.1              | 3.6          | 2.3       |
| Distribution of Children by Age    |           |         |                       |             |                     |                  |              |           |
| 0-2                                | 57,699    | 42.6%   | 46.1%                 | 36.1%       | 42.1%               | 49.1%            | 41.4%        | 48.2%     |
| 3-5                                | 44,774    | 33.1%   | 33.2%                 | 34.9%       | 32.5%               | 31.3%            | 34.1%        | 49.8%     |
| 6-13                               | 32,894    | 24.3%   | 20.7%                 | 28.9%       | 25.3%               | 19.6%            | 24.5%        | 2.0%      |
| Special Needs [c]                  |           |         |                       |             |                     |                  |              |           |
| None                               | 132,667   | 98.0%   | 98.6%                 | 98.8%       | 95.8%               | 99.1%            | 98.9%        | 96.0%     |
| Physically Handicapped             | 2,000     | 1.5%    | 1.0%                  | 0.8%        | 3.0%                | 0.7%             | 0.8%         | 3.1%      |
| Emotionally Disturbed              | 419       | 0.3%    | 0.3%                  | 0.2%        | 0.6%                | 0.1%             | 0.2%         | 0.5%      |
| Mentally Retarded                  | 203       | 0.2%    | 0.1%                  | 0.1%        | 0.3%                | 0.1%             | 0.1%         | 0.3%      |
| Other                              | 148       | 0.1%    | 0.1%                  | 0.1%        | 0.2%                | 0.0%             | 0.1%         | 0.1%      |

[a] The sum of all cases by client group will exceed the annual total due to some families having children in more than one client group or due to families changing client groups during the FFY.

[b] Includes AFDC/TANF, Special Projects, Teen Parents not elsewhere classified, SSI, and ISD Pre-Kindergarten.

[c] Values for this variable can change over the course of child care receipt but are reported in the original datasets only as of the date the file was extracted. Therefore values for this variable are reported in this analysis only for cases receiving subsidized child care in FFY 1997.

Table B-9

## Utilization Patterns of Children Receiving Subsidized Child Care Services in FFY1994 by Client Group

| Utilization Patterns                                          | All Cases | CPS and Former CPS | Food Stamps | Income-Eligible | JOBS/Choices | Transitional | Other (b) | Multiple Elig. Types |
|---------------------------------------------------------------|-----------|--------------------|-------------|-----------------|--------------|--------------|-----------|----------------------|
| Total Children                                                | 121,808   | 12,319             | 19,645      | 14,457          | 34,346       | 11,523       | 943       | 28,571               |
| Full-Time (a)                                                 | 76.8%     | 77.6%              | 75.1%       | 76.4%           | 72.6%        | 74.8%        | 93.4%     | 83.2%                |
| Part-time (a)                                                 | 38.4%     | 32.7%              | 42.6%       | 36.9%           | 38.5%        | 32.2%        | 9.7%      | 42.2%                |
| Source of Funds                                               |           |                    |             |                 |              |              |           |                      |
| Title IV-A                                                    | 49.3%     | 1.0%               | 28.9%       | 25.4%           | 86.2%        | 98.7%        | 0.6%      | 52.3%                |
| Title IV-A State match                                        | 0.1%      | 0.0%               | 0.0%        | 0.0%            | 0.0%         | 0.0%         | 14.3%     | 0.0%                 |
| Title IV-E                                                    | 0.9%      | 10.6%              | 0.0%        | 0.0%            | 0.0%         | 0.0%         | 0.0%      | 0.0%                 |
| CCDBG                                                         | 39.4%     | 27.1%              | 63.9%       | 70.4%           | 13.6%        | 0.8%         | 82.7%     | 37.7%                |
| Title XX                                                      | 9.7%      | 55.2%              | 6.2%        | 4.1%            | 0.2%         | 0.5%         | 2.5%      | 9.8%                 |
| Food Stamps                                                   | 0.2%      | 0.0%               | 1.0%        | 0.0%            | 0.0%         | 0.0%         | 0.0%      | 0.1%                 |
| State Paid Foster Care                                        | 0.5%      | 6.1%               | 0.0%        | 0.0%            | 0.0%         | 0.0%         | 0.0%      | 0.0%                 |
| Percent of Parents who have Co-pay                            | 36.4%     | 2.7%               | 58.4%       | 65.6%           | 1.2%         | 59.7%        | 27.7%     | 55.0%                |
| Average monthly parental co-pay (of those who pay)            | \$66.21   | \$38.46            | \$63.10     | \$71.14         | \$6.62       | \$59.29      | \$23.28   | \$47.42              |
| Average number of months of subsidized child care receipt (c) | 6.1       | 5.0                | 7.1         | 6.7             | 4.2          | 4.3          | 3.2       | 8.8                  |
| Type of Provider                                              |           |                    |             |                 |              |              |           |                      |
| Center                                                        | 86.9%     | 91.9%              | 86.3%       | 90.8%           | 82.9%        | 84.4%        | 89.9%     | 87.3%                |
| Group Day Home                                                | 2.3%      | 2.4%               | 2.9%        | 2.6%            | 1.8%         | 1.6%         | 2.4%      | 2.2%                 |
| Registered Family Day Home                                    | 2.9%      | 2.5%               | 3.8%        | 2.9%            | 2.4%         | 2.7%         | 1.6%      | 2.9%                 |
| In-Home                                                       | 4.5%      | 1.9%               | 3.6%        | 1.9%            | 7.7%         | 6.4%         | 4.2%      | 4.5%                 |
| Out-Home Unregulated                                          | 3.4%      | 1.4%               | 3.6%        | 1.8%            | 5.1%         | 4.9%         | 1.9%      | 3.2%                 |
| Self-Arranged                                                 | 1.9%      | 1.2%               | 2.8%        | 2.4%            | 1.2%         | 2.4%         | 0.7%      | 2.2%                 |
| Reason for Care Need                                          |           |                    |             |                 |              |              |           |                      |
| Protective                                                    | 4.1%      | 45.7%              | 0.0%        | 0.0%            | 0.1%         | 0.0%         | 0.0%      | 0.9%                 |
| Seeking Work                                                  | 1.4%      | 1.2%               | 1.4%        | 0.9%            | 0.2%         | 1.3%         | 0.3%      | 2.2%                 |
| Training                                                      | 31.6%     | 16.0%              | 7.3%        | 13.1%           | 96.6%        | 1.7%         | 73.4%     | 25.1%                |
| Working                                                       | 62.4%     | 35.5%              | 90.9%       | 84.9%           | 3.0%         | 96.8%        | 24.9%     | 71.4%                |
| Other                                                         | 0.5%      | 1.6%               | 0.4%        | 1.1%            | 0.0%         | 0.2%         | 1.4%      | 0.4%                 |
| Average Unit Rate - Full-time care                            | \$12.09   | \$12.45            | \$11.42     | \$12.15         | \$12.42      | \$12.45      | \$15.99   | \$12.04              |
| Percent Distribution of Unit Rate - Full-time care            |           |                    |             |                 |              |              |           |                      |
| <=\$9                                                         | 12.1%     | 8.1%               | 17.5%       | 11.6%           | 10.4%        | 11.7%        | 4.0%      | 12.8%                |
| \$9<=\$11                                                     | 20.4%     | 19.1%              | 24.8%       | 21.3%           | 18.0%        | 18.2%        | 11.2%     | 21.5%                |
| \$11<=\$13                                                    | 26.3%     | 29.0%              | 27.2%       | 28.4%           | 25.8%        | 22.0%        | 17.2%     | 26.1%                |
| \$13<=\$15                                                    | 27.2%     | 28.6%              | 22.7%       | 25.9%           | 29.1%        | 28.2%        | 23.6%     | 27.7%                |
| >\$15                                                         | 14.0%     | 15.1%              | 7.9%        | 12.9%           | 16.7%        | 19.9%        | 44.1%     | 12.0%                |
| Average Unit Rate - Part-time care                            | \$9.29    | \$9.33             | \$9.04      | \$9.20          | \$9.18       | \$9.44       | \$9.23    | \$9.48               |
| Percent Distribution of Unit Rate - Part-time care            |           |                    |             |                 |              |              |           |                      |
| <=\$9                                                         | 47.0%     | 46.9%              | 50.5%       | 48.8%           | 49.0%        | 43.6%        | 51.1%     | 42.8%                |
| \$9<=\$11                                                     | 29.8%     | 28.8%              | 29.5%       | 30.9%           | 27.1%        | 29.0%        | 27.2%     | 33.0%                |
| \$11<=\$13                                                    | 16.4%     | 17.0%              | 15.3%       | 14.9%           | 15.2%        | 19.0%        | 13.0%     | 18.4%                |
| \$13<=\$15                                                    | 5.8%      | 6.5%               | 3.9%        | 4.3%            | 7.5%         | 7.4%         | 4.3%      | 5.1%                 |
| >\$15                                                         | 1.0%      | 0.8%               | 0.8%        | 1.1%            | 1.2%         | 1.0%         | 4.3%      | 0.8%                 |

(a) The total shares of full-day and part-day cases can exceed 100 percent because some cases receive both full-day and part-day care.

(b) Includes AFDC/TANF, Special Projects, Teen Parents not elsewhere classified, SSL, and ISD Pre-Kindergarten.

(c) A child is counted as having received a month of service if service was received at all within that month.

**Table B-10**  
**Utilization Patterns of Children Receiving Subsidized Child Care Services in FFY1995 by Client Group**

| Utilization Patterns                                          | All Cases | CPS and Former CPS | Food Stamps | Income-Eligible | JOBS/Choices | Transitional | Other [b] | Multiple Elig. Types |
|---------------------------------------------------------------|-----------|--------------------|-------------|-----------------|--------------|--------------|-----------|----------------------|
| Total Children                                                | 140,703   | 13,403             | 25,405      | 22,408          | 32,155       | 13,971       | 1,921     | 31,440               |
| Full-Time [a]                                                 | 73.4%     | 74.2%              | 70.0%       | 72.1%           | 71.1%        | 72.2%        | 96.67%    | 78.1%                |
| Part-time [a]                                                 | 39.1%     | 33.6%              | 42.7%       | 37.2%           | 39.3%        | 34.7%        | 5.73%     | 43.5%                |
| Source of Funds                                               |           |                    |             |                 |              |              |           |                      |
| Title IV-A                                                    | 49.2%     | 0.5%               | 23.0%       | 17.6%           | 99.6%        | 99.0%        | 0.1%      | 54.8%                |
| Title IV-A State match                                        | 0.5%      | 0.0%               | 0.0%        | 0.0%            | 0.0%         | 0.0%         | 42.4%     | 0.2%                 |
| Title IV-E                                                    | 1.2%      | 14.0%              | 0.0%        | 0.0%            | 0.0%         | 0.0%         | 0.0%      | 0.0%                 |
| CCDBG                                                         | 44.7%     | 44.0%              | 75.1%       | 82.2%           | 0.4%         | 1.0%         | 57.5%     | 43.4%                |
| Title XX                                                      | 3.4%      | 33.8%              | 0.2%        | 0.2%            | 0.0%         | 0.0%         | 0.0%      | 1.4%                 |
| Food Stamps                                                   | 0.4%      | 0.0%               | 1.7%        | 0.0%            | 0.0%         | 0.0%         | 0.0%      | 0.2%                 |
| State Paid Foster Care                                        | 0.6%      | 7.7%               | 0.0%        | 0.0%            | 0.0%         | 0.0%         | 0.0%      | 0.0%                 |
| Percent of Parents who have Co-pay                            | 40.8%     | 4.8%               | 57.4%       | 66.9%           | 1.9%         | 59.8%        | 46.5%     | 56.1%                |
| Average monthly parental co-pay (of those who pay)            | \$65.38   | \$48.13            | \$63.37     | \$70.54         | \$3.90       | \$60.90      | \$45.64   | \$51.50              |
| Average number of months of subsidized child care receipt [c] | 6.1       | 5.2                | 6.5         | 5.9             | 4.3          | 4.6          | 4.23      | 8.8                  |
| Type of Provider                                              |           |                    |             |                 |              |              |           |                      |
| Center                                                        | 84.1%     | 90.0%              | 82.5%       | 88.5%           | 80.1%        | 80.8%        | 92.3%     | 83.9%                |
| Group Day Home                                                | 2.9%      | 3.5%               | 3.4%        | 2.8%            | 2.6%         | 2.0%         | 1.4%      | 2.9%                 |
| Registered Family Day Home                                    | 3.4%      | 2.9%               | 3.9%        | 3.4%            | 2.5%         | 3.7%         | 2.3%      | 3.6%                 |
| In-Home                                                       | 5.4%      | 2.2%               | 5.6%        | 2.7%            | 8.8%         | 7.3%         | 2.9%      | 5.3%                 |
| Out-Home Unregulated                                          | 4.2%      | 1.4%               | 4.5%        | 2.6%            | 5.9%         | 6.2%         | 1.1%      | 4.3%                 |
| Self-Arranged                                                 | 2.3%      | 1.8%               | 2.9%        | 3.0%            | 1.4%         | 2.6%         | 0.7%      | 2.6%                 |
| Reason for Care Need                                          |           |                    |             |                 |              |              |           |                      |
| Protective                                                    | 5.2%      | 57.3%              | 0.0%        | 0.0%            | 0.0%         | 0.0%         | 0.0%      | 1.4%                 |
| Seeking Work                                                  | 0.9%      | 0.8%               | 1.1%        | 0.8%            | 0.2%         | 0.6%         | 0.4%      | 1.3%                 |
| Training                                                      | 27.9%     | 12.6%              | 6.7%        | 11.0%           | 97.6%        | 1.8%         | 49.8%     | 23.4%                |
| Working                                                       | 65.5%     | 28.5%              | 91.9%       | 86.7%           | 2.1%         | 97.4%        | 48.9%     | 73.4%                |
| Other                                                         | 0.5%      | 0.8%               | 0.3%        | 1.5%            | 0.0%         | 0.2%         | 0.9%      | 0.5%                 |
| Average Unit Rate - Full-time care                            | \$12.47   | \$12.75            | \$11.73     | \$12.60         | \$12.66      | \$12.72      | \$19.81   | \$12.34              |
| Percent Distribution of Unit Rate - Full-time care            |           |                    |             |                 |              |              |           |                      |
| <=\$9                                                         | 9.6%      | 6.0%               | 14.1%       | 7.4%            | 9.0%         | 10.0%        | 3.8%      | 10.0%                |
| \$9<=\$11                                                     | 19.3%     | 17.3%              | 24.1%       | 19.8%           | 17.0%        | 15.8%        | 10.1%     | 20.5%                |
| \$11<=\$13                                                    | 25.5%     | 28.9%              | 27.4%       | 26.1%           | 23.8%        | 22.6%        | 13.0%     | 26.0%                |
| \$13<=\$15                                                    | 28.9%     | 29.8%              | 24.3%       | 30.6%           | 30.8%        | 30.7%        | 13.5%     | 29.4%                |
| >\$15                                                         | 16.8%     | 18.1%              | 10.1%       | 16.1%           | 19.5%        | 21.0%        | 59.6%     | 14.1%                |
| Average Unit Rate - Part-time care                            | \$9.55    | \$9.37             | \$9.39      | \$9.82          | \$9.22       | \$9.74       | \$10.34   | \$9.64               |
| Percent Distribution of Unit Rate - Part-time care            |           |                    |             |                 |              |              |           |                      |
| <=\$9                                                         | 43.4%     | 45.5%              | 46.0%       | 39.2%           | 47.5%        | 39.1%        | 27.3%     | 41.1%                |
| \$9<=\$11                                                     | 30.0%     | 29.5%              | 28.3%       | 32.0%           | 29.2%        | 28.2%        | 48.2%     | 31.5%                |
| \$11<=\$13                                                    | 18.5%     | 18.4%              | 18.6%       | 18.2%           | 15.4%        | 22.5%        | 11.8%     | 20.3%                |
| \$13<=\$15                                                    | 6.7%      | 5.4%               | 5.9%        | 8.1%            | 6.6%         | 9.2%         | 6.4%      | 6.2%                 |
| >\$15                                                         | 1.4%      | 1.3%               | 1.2%        | 2.5%            | 1.4%         | 1.1%         | 6.4%      | 1.0%                 |

[a] The total shares of full-day and part-day cases can exceed 100 percent because some cases receive both full-day and part-day care.

[b] Includes AFDC/TANF, Special Projects, Teen Parents not elsewhere classified, SSI, and ISD Pre-Kindergarten.

[c] A child is counted as having received a month of service if service was received at all within that month.

**Table B-11**  
**Utilization Patterns of Children Receiving Subsidized Child Care Services in FFY1996 by Client Group**

| Utilization Patterns                                          | All Cases | CPS and Former CPS | Food Stamps | Income-Eligible | JOBS/Choices | Transitional | Other [b] | Multiple Elig. Types |
|---------------------------------------------------------------|-----------|--------------------|-------------|-----------------|--------------|--------------|-----------|----------------------|
| Total Children                                                | 131,960   | 9,609              | 21,675      | 23,445          | 29,973       | 12,032       | 1,945     | 33,281               |
| Full-Time [a]                                                 | 72.2%     | 74.0%              | 66.2%       | 69.3%           | 71.9%        | 70.7%        | 95.5%     | 77.0%                |
| Part-time [a]                                                 | 40.7%     | 34.7%              | 47.2%       | 40.0%           | 38.6%        | 35.9%        | 6.2%      | 44.3%                |
| Source of Funds                                               |           |                    |             |                 |              |              |           |                      |
| Title IV-A                                                    | 51.5%     | 0.6%               | 27.7%       | 23.4%           | 99.0%        | 99.0%        | 0.4%      | 55.7%                |
| Title IV-A State match                                        | 0.7%      | 0.0%               | 0.0%        | 0.0%            | 0.0%         | 0.0%         | 53.0%     | 0.3%                 |
| Title IV-E                                                    | 1.1%      | 17.7%              | 0.0%        | 0.0%            | 0.0%         | 0.0%         | 0.0%      | 0.0%                 |
| CCDBG                                                         | 38.7%     | 22.7%              | 66.5%       | 72.7%           | 0.8%         | 0.6%         | 46.3%     | 36.7%                |
| Title XX                                                      | 7.1%      | 49.2%              | 4.7%        | 3.9%            | 0.2%         | 0.4%         | 0.3%      | 7.1%                 |
| Food Stamps                                                   | 0.2%      | 0.0%               | 1.2%        | 0.0%            | 0.0%         | 0.0%         | 0.0%      | 0.1%                 |
| State Paid Foster Care                                        | 0.6%      | 9.9%               | 0.0%        | 0.0%            | 0.0%         | 0.0%         | 0.0%      | 0.0%                 |
| Percent of Parents who have Co-pay                            | 41.9%     | 5.4%               | 56.3%       | 65.6%           | 1.8%         | 58.3%        | 52.2%     | 56.7%                |
| Average monthly parental co-pay (of those who paid)           | \$69.26   | \$53.24            | \$66.01     | \$73.85         | \$4.30       | \$63.24      | \$61.41   | \$54.31              |
| Average number of months of subsidized child care receipt [c] | 6.4       | 5.3                | 6.9         | 6.7             | 4.4          | 4.4          | 4.9       | 9.0                  |
| Type of Provider                                              |           |                    |             |                 |              |              |           |                      |
| Center                                                        | 83.1%     | 88.4%              | 79.5%       | 87.8%           | 80.6%        | 77.5%        | 92.9%     | 83.3%                |
| Group Day Home                                                | 2.8%      | 3.7%               | 3.7%        | 2.6%            | 2.6%         | 2.2%         | 1.2%      | 2.6%                 |
| Registered Family Day Home                                    | 3.1%      | 3.1%               | 3.6%        | 3.3%            | 2.7%         | 3.7%         | 1.3%      | 3.0%                 |
| In-Home                                                       | 6.5%      | 3.1%               | 7.2%        | 3.5%            | 9.2%         | 9.6%         | 3.2%      | 6.7%                 |
| Out-Home Unregulated                                          | 4.4%      | 1.7%               | 5.9%        | 2.9%            | 5.0%         | 6.9%         | 1.4%      | 4.4%                 |
| Self-Arranged                                                 | 2.8%      | 2.6%               | 3.4%        | 3.7%            | 1.5%         | 3.1%         | 0.6%      | 3.2%                 |
| Reason for Care Need                                          |           |                    |             |                 |              |              |           |                      |
| Protective                                                    | 3.5%      | 54.4%              | 0.0%        | 0.0%            | 0.1%         | 0.1%         | 0.0%      | 0.7%                 |
| Seeking Work                                                  | 0.9%      | 0.7%               | 1.0%        | 0.7%            | 0.2%         | 0.4%         | 0.4%      | 1.5%                 |
| Training                                                      | 27.0%     | 12.6%              | 6.0%        | 11.3%           | 97.3%        | 1.8%         | 41.5%     | 21.9%                |
| Working                                                       | 68.0%     | 31.6%              | 92.8%       | 86.4%           | 2.4%         | 97.5%        | 57.5%     | 75.5%                |
| Other                                                         | 0.5%      | 0.6%               | 0.2%        | 1.6%            | 0.0%         | 0.2%         | 0.6%      | 0.4%                 |
| Average Unit Rate - Full-time care                            | \$12.66   | \$12.86            | \$11.57     | \$12.82         | \$12.83      | \$12.73      | \$20.85   | \$12.60              |
| Percent Distribution of Unit Rate - Full-time care            |           |                    |             |                 |              |              |           |                      |
| <=\$9                                                         | 9.2%      | 7.0%               | 15.0%       | 6.4%            | 8.6%         | 9.5%         | 3.9%      | 8.9%                 |
| \$9<=\$11                                                     | 18.1%     | 15.3%              | 24.8%       | 18.3%           | 15.8%        | 16.8%        | 5.9%      | 18.3%                |
| \$11<=\$13                                                    | 25.2%     | 28.0%              | 29.6%       | 25.6%           | 23.8%        | 22.3%        | 11.2%     | 25.0%                |
| \$13<=\$15                                                    | 28.4%     | 28.1%              | 22.3%       | 30.8%           | 29.6%        | 28.6%        | 10.7%     | 30.6%                |
| >\$15                                                         | 19.1%     | 21.5%              | 8.3%        | 18.9%           | 22.2%        | 22.7%        | 68.3%     | 17.2%                |
| Average Unit Rate - Part-time care                            | \$9.63    | \$9.70             | \$9.24      | \$9.52          | \$9.52       | \$9.74       | \$9.47    | \$9.91               |
| Percent Distribution of Unit Rate - Part-time care            |           |                    |             |                 |              |              |           |                      |
| <=\$9                                                         | 42.3%     | 41.5%              | 48.9%       | 43.9%           | 42.9%        | 39.1%        | 51.2%     | 37.2%                |
| \$9<=\$11                                                     | 38.7%     | 27.2%              | 27.7%       | 27.1%           | 30.2%        | 28.5%        | 26.4%     | 29.8%                |
| \$11<=\$13                                                    | 20.0%     | 21.3%              | 16.4%       | 18.5%           | 17.6%        | 22.2%        | 14.0%     | 24.3%                |
| \$13<=\$15                                                    | 7.5%      | 8.0%               | 6.0%        | 8.1%            | 7.9%         | 8.7%         | 3.3%      | 7.3%                 |
| >\$15                                                         | 1.6%      | 2.0%               | 1.0%        | 2.4%            | 1.4%         | 1.5%         | 5.0%      | 1.4%                 |

[a] The total shares of full-day and part-day cases can exceed 100 percent because some cases receive both full-day and part-day care.

[b] Includes AFDC/TANF, Special Projects, Teen Parents not elsewhere classified, SSI, and ISD Pre-Kindergarten.

[c] A child is counted as having received a month of service if service was received at all within that month.



Table B-12

## Utilization Patterns of Children Receiving Subsidized Child Care Services in FFY1997 by Client Group

| Utilization Patterns                                          | All Cases | CPS and Former CPS | Food Stamp | Income-Eligible | JOBS/Choices | Transitional | Other [b] | Multiple Eln Types |
|---------------------------------------------------------------|-----------|--------------------|------------|-----------------|--------------|--------------|-----------|--------------------|
| Total Children                                                | 135,440   | 8,744              | 21,544     | 29,825          | 25,747       | 12,536       | 1,960     | 35,084             |
| Full-Day [a]                                                  | 72.1%     | 73.1%              | 65.4%      | 70.1%           | 73.1%        | 70.4%        | 96.4%     | 76.0%              |
| Part-Day [a]                                                  | 40.3%     | 35.6%              | 48.0%      | 39.4%           | 36.1%        | 36.0%        | 5.4%      | 44.2%              |
| Source of Funds                                               |           |                    |            |                 |              |              |           |                    |
| Title IV-A                                                    | 0.0%      | 0.0%               | 0.0%       | 0.0%            | 0.0%         | 0.0%         | 0.0%      | 0.0%               |
| Title IV-A State match                                        | 0.7%      | 0.0%               | 0.0%       | 0.0%            | 0.0%         | 0.0%         | 36.5%     | 0.2%               |
| Title IV-E                                                    | 0.9%      | 13.7%              | 0.0%       | 0.0%            | 0.0%         | 0.0%         | 0.0%      | 0.0%               |
| CCDBG                                                         | 90.6%     | 24.8%              | 94.9%      | 96.7%           | 99.8%        | 99.8%        | 43.0%     | 92.3%              |
| Title XX                                                      | 7.0%      | 50.6%              | 4.9%       | 3.3%            | 0.1%         | 0.2%         | 0.5%      | 7.4%               |
| Food Stamps                                                   | 0.0%      | 0.0%               | 0.2%       | 0.0%            | 0.0%         | 0.0%         | 0.0%      | 0.0%               |
| State Paid Foster Care                                        | 0.7%      | 10.9%              | 0.0%       | 0.0%            | 0.0%         | 0.0%         | 0.0%      | 0.0%               |
| Per Week Full-Day Care Required per Child [d]                 | 3.1       | 3.3                | 2.6        | 3.0             | 3.4          | 3.2          | 4.6       | 3.1                |
| Per Week Part-Day Care Required per Child [d]                 | 3.8       | 3.7                | 4.0        | 3.9             | 3.6          | 3.9          | 2.4       | 3.8                |
| Care Needed is Based on School Calendar [d]                   |           |                    |            |                 |              |              |           |                    |
| Yes                                                           | 33.6%     | 29.2%              | 41.7%      | 36.6%           | 24.7%        | 34.0%        | 5.1%      | 34.4%              |
| No                                                            | 63.9%     | 66.8%              | 55.4%      | 61.0%           | 73.2%        | 64.9%        | 93.6%     | 63.0%              |
| Percent of Parents who have Co-pay                            | 44.7%     | 4.8%               | 56.4%      | 66.2%           | 1.9%         | 55.3%        | 65.2%     | 55.5%              |
| Average monthly parental co-pay (of those who paid)           | \$73.70   | \$55.65            | \$68.24    | \$76.64         | \$3.95       | \$68.46      | \$60.33   | \$58.54            |
| Average number of months of subsidized child care receipt [c] | 6.6       | 5.1                | 7.0        | 7.1             | 4.1          | 4.9          | 4.4       | 9.0                |
| Type of Provider                                              |           |                    |            |                 |              |              |           |                    |
| Center                                                        | 77.8%     | 84.7%              | 73.2%      | 82.9%           | 76.3%        | 75.8%        | 95.8%     | 75.7%              |
| Group Day Home                                                | 3.6%      | 4.9%               | 4.6%       | 3.0%            | 3.2%         | 2.5%         | 0.6%      | 3.8%               |
| Registered Family Day Home                                    | 3.8%      | 3.3%               | 4.1%       | 4.0%            | 3.1%         | 3.8%         | 1.0%      | 4.1%               |
| In-Home                                                       | 8.1%      | 4.1%               | 9.4%       | 5.1%            | 11.1%        | 9.4%         | 1.5%      | 8.6%               |
| Out-Home Unregulated                                          | 6.7%      | 3.1%               | 8.7%       | 4.9%            | 6.3%         | 8.4%         | 1.2%      | 7.8%               |
| Self-Arranged                                                 | 2.9%      | 2.2%               | 3.4%       | 3.8%            | 1.7%         | 2.8%         | 0.3%      | 2.9%               |
| Reason for Care Need                                          |           |                    |            |                 |              |              |           |                    |
| Protective                                                    | 3.2%      | 47.2%              | 0.1%       | 0.1%            | 0.1%         | 0.1%         | 0.0%      | 0.9%               |
| Seeking Work                                                  | 2.8%      | 1.5%               | 3.3%       | 2.5%            | 0.2%         | 1.4%         | 0.8%      | 5.0%               |
| Training                                                      | 30.9%     | 15.9%              | 9.3%       | 16.4%           | 94.6%        | 2.3%         | 30.8%     | 26.8%              |
| Working                                                       | 61.8%     | 34.4%              | 86.5%      | 78.6%           | 5.0%         | 95.4%        | 66.9%     | 65.9%              |
| Other                                                         | 1.2%      | 1.0%               | 0.8%       | 2.4%            | 0.1%         | 0.8%         | 1.4%      | 1.3%               |
| Average Unit Rate - Full-time care                            | \$13.68   | \$13.78            | \$12.38    | \$13.93         | \$13.82      | \$13.92      | \$22.78   | \$13.58            |
| Percent Distribution of Unit Rate - Full-time care            |           |                    |            |                 |              |              |           |                    |
| <=\$9                                                         | 6.7%      | 4.8%               | 11.2%      | 4.4%            | 7.4%         | 7.6%         | 1.2%      | 6.3%               |
| \$9<=\$11                                                     | 11.7%     | 10.3%              | 18.0%      | 10.5%           | 9.7%         | 11.0%        | 2.3%      | 11.8%              |
| \$11<=\$13                                                    | 22.9%     | 23.9%              | 28.5%      | 22.4%           | 21.9%        | 18.7%        | 6.6%      | 23.6%              |
| \$13<=\$15                                                    | 24.1%     | 26.2%              | 23.9%      | 25.4%           | 23.4%        | 21.3%        | 9.8%      | 25.1%              |
| >\$15                                                         | 34.6%     | 34.9%              | 18.3%      | 37.3%           | 37.6%        | 41.4%        | 80.1%     | 33.3%              |
| Average Unit Rate - Part-time care                            | \$10.45   | \$10.37            | \$9.78     | \$10.45         | \$10.50      | \$10.67      | \$14.09   | \$10.76            |
| Percent Distribution of Unit Rate - Part-time care            |           |                    |            |                 |              |              |           |                    |
| <=\$9                                                         | 29.0%     | 29.4%              | 37.0%      | 28.4%           | 30.0%        | 28.1%        | 24.8%     | 23.8%              |
| \$9<=\$11                                                     | 29.3%     | 29.3%              | 32.1%      | 29.8%           | 25.3%        | 25.5%        | 22.9%     | 30.6%              |
| \$11<=\$13                                                    | 24.9%     | 24.3%              | 20.5%      | 25.0%           | 26.1%        | 24.9%        | 31.4%     | 27.0%              |
| \$13<=\$15                                                    | 12.5%     | 12.6%              | 8.3%       | 12.3%           | 13.0%        | 15.8%        | 3.8%      | 14.4%              |
| >\$15                                                         | 4.3%      | 4.3%               | 2.1%       | 4.5%            | 5.6%         | 5.7%         | 17.1%     | 4.1%               |

[a] The total shares of full-day and part-day cases can exceed 100 percent because some cases receive both full-day and part-day care.

[b] Includes AFDC/TANF, Special Projects, Teen Parents not elsewhere classified, SSI, and ISD Pre-Kindergarten.

[c] A child is counted as having received a month of service if service was received at all within that month.

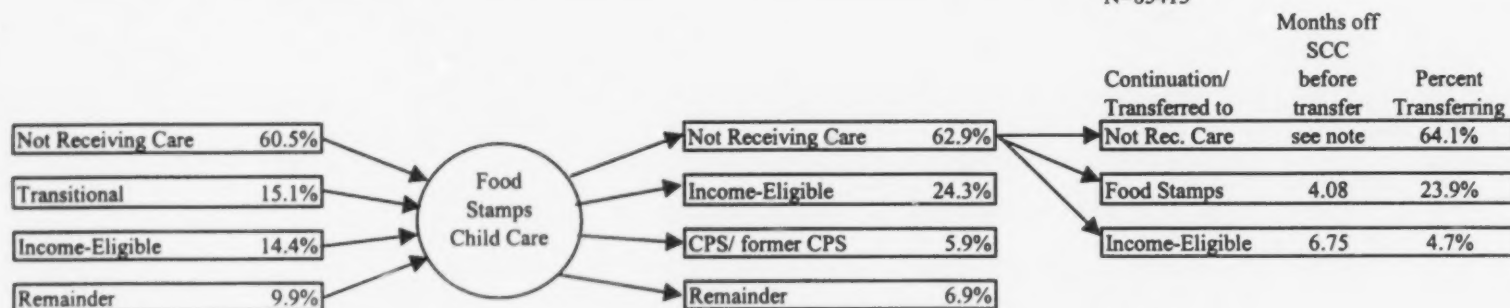
[d] Values for this variable can change over the course of child care receipt but are reported in the original datasets only as of the date the file was extracted. Therefore values for this variable are reported in this analysis only for cases receiving subsidized child care in FFY 1997.



**Table B-13**  
**Transition Analysis for Food Stamps**

| Transition Analysis for Food Stamps |        |         |                                |                                        |                                  |        |         |                                |
|-------------------------------------|--------|---------|--------------------------------|----------------------------------------|----------------------------------|--------|---------|--------------------------------|
| Eligibility group transferred from  |        |         |                                | Overall avg<br>spell in Food<br>Stamps | Eligibility group transferred to |        |         |                                |
| Transferred from                    | Number | Percent | Avg spell in<br>Food<br>Stamps |                                        | Transferred to                   | Number | Percent | Avg spell in<br>Food<br>Stamps |
| Not Receiving Care                  | 51706  | 60.5%   | 5.85                           | 5.94                                   | Not Receiving Care               | 53721  | 62.9%   | 5.65                           |
| Transitional                        | 12935  | 15.1%   | 6.37                           |                                        | Income-Eligible                  | 20762  | 24.3%   | 7.90                           |
| Income-Eligible                     | 12327  | 14.4%   | 6.28                           |                                        | CPS/ former CPS                  | 5047   | 5.9%    | 5.08                           |
| CPS/ former CPS                     | 5206   | 6.1%    | 5.98                           |                                        | Transitional                     | 3805   | 4.5%    | 2.33                           |
| JOBS/ Choices                       | 3038   | 3.6%    | 4.31                           |                                        | JOBS/ Choices                    | 1911   | 2.2%    | 2.67                           |
| AFDC/ Other                         | 201    | 0.2%    | 4.42                           |                                        | AFDC/ Other                      | 167    | 0.2%    | 3.40                           |

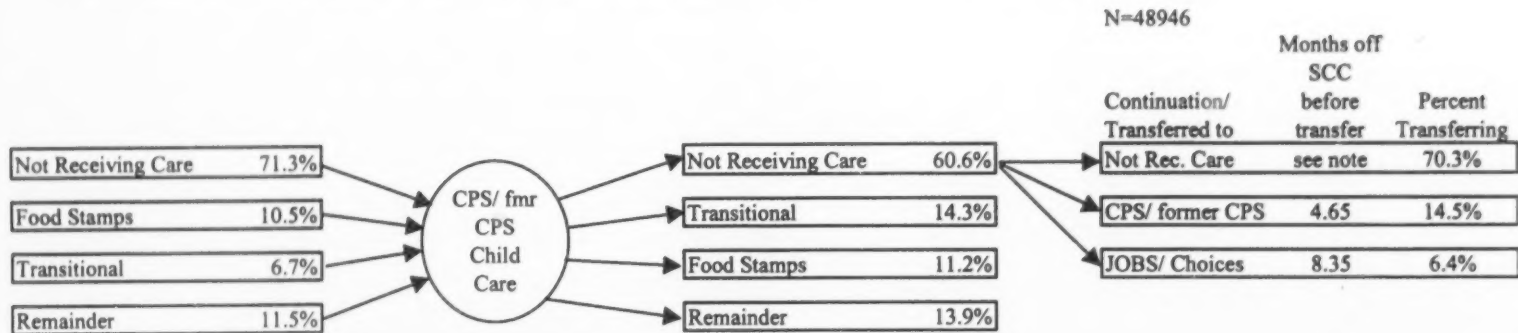
N=85413



NOTE: Of those transferring to 'Not Receiving Care' status, a portion remained without care through the end of the study period, and thus the length of their spells without care cannot be computed.

**Table B-14**  
**Transition Analysis for CPS and former CPS**

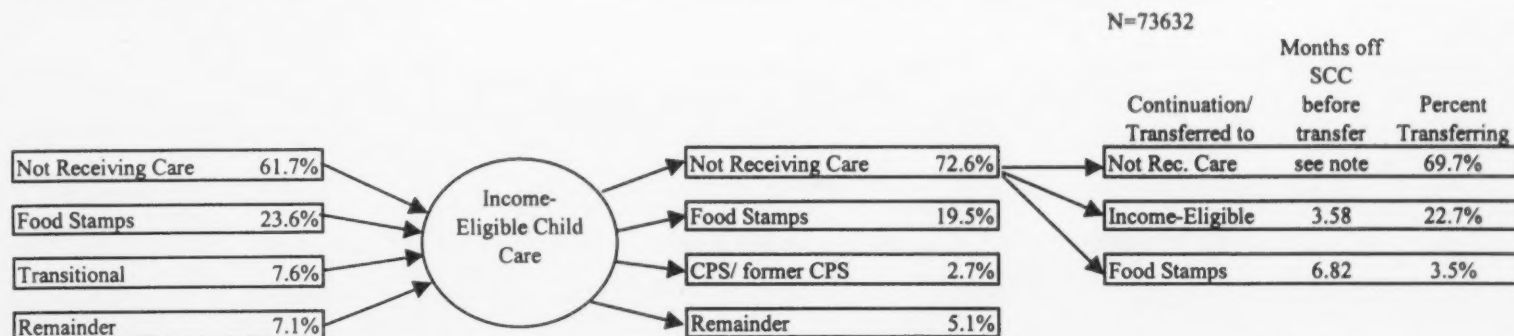
| Transition Analysis for CPS/ former CPS |        |         |                                    |                                            |                                  |        |                                    |
|-----------------------------------------|--------|---------|------------------------------------|--------------------------------------------|----------------------------------|--------|------------------------------------|
| Eligibility group transferred from      |        |         |                                    | Overall avg<br>spell in CPS/<br>former CPS | Eligibility group transferred to |        |                                    |
| Transferred from                        | Number | Percent | Avg spell in<br>CPS/ former<br>CPS |                                            | Transferred to                   | Number | Avg spell in<br>CPS/ former<br>CPS |
| Not Receiving Care                      | 34883  | 71.3%   | 4.85                               | 4.65                                       | Not Receiving Care               | 29680  | 5.11                               |
| Food Stamps                             | 5162   | 10.5%   | 4.93                               |                                            | Transitional                     | 6986   | 3.84                               |
| Transitional                            | 3264   | 6.7%    | 3.37                               |                                            | Food Stamps                      | 5500   | 4.46                               |
| JOBS/ Choices                           | 3222   | 6.6%    | 3.25                               |                                            | JOBS/ Choices                    | 3697   | 2.58                               |
| Income-Eligible                         | 1911   | 3.9%    | 4.83                               |                                            | Income-Eligible                  | 2795   | 5.20                               |
| AFDC/ Other                             | 504    | 1.0%    | 4.94                               |                                            | AFDC/ Other                      | 288    | 2.66                               |



NOTE: Of those transferring to 'Not Receiving Care' status, a portion remained without care through the end of the study period, and thus the length of their spells without care cannot be computed.

**Table B-15**  
**Transition Analysis for Income Eligible**

| Transition Analysis for Income-Eligible |        |         |                                     |                                                |                                  |        |         |                                     |
|-----------------------------------------|--------|---------|-------------------------------------|------------------------------------------------|----------------------------------|--------|---------|-------------------------------------|
| Eligibility group transferred from      |        |         |                                     | Overall avg<br>spell in<br>Income-<br>Eligible | Eligibility group transferred to |        |         |                                     |
| Transferred from                        | Number | Percent | Avg spell in<br>Income-<br>Eligible |                                                | Transferred to                   | Number | Percent | Avg spell in<br>Income-<br>Eligible |
| Not Receiving Care                      | 45464  | 61.7%   | 5.19                                | 5.46                                           | Not Receiving Care               | 53486  | 72.6%   | 5.65                                |
| Food Stamps                             | 17341  | 23.6%   | 6.53                                |                                                | Food Stamps                      | 14352  | 19.5%   | 5.50                                |
| Transitional                            | 5595   | 7.6%    | 5.35                                |                                                | CPS/ former CPS                  | 2014   | 2.7%    | 4.66                                |
| CPS/ former CPS                         | 2496   | 3.4%    | 5.21                                |                                                | Transitional                     | 1368   | 1.9%    | 2.71                                |
| JOBS/ Choices                           | 1817   | 2.5%    | 3.23                                |                                                | AFDC/ Other                      | 1304   | 1.8%    | 4.18                                |
| AFDC/ Other                             | 919    | 1.2%    | 4.85                                |                                                | JOBS/ Choices                    | 1108   | 1.5%    | 2.40                                |



NOTE: Of those transferring to 'Not Receiving Care' status, a portion remained without care through the end of the study period, and thus the length of their spells without care cannot be computed.

**Table B-16**  
**Transition Analysis for JOBS/ Choices**

| Transition Analysis for JOBS/ Choices |        |         |                                  |                                             |                                  |        |         |                                  |
|---------------------------------------|--------|---------|----------------------------------|---------------------------------------------|----------------------------------|--------|---------|----------------------------------|
| Eligibility group transferred from    |        |         |                                  | Overall avg<br>spell in<br>JOBS/<br>Choices | Eligibility group transferred to |        |         |                                  |
| Transferred from                      | Number | Percent | Avg spell in<br>JOBS/<br>Choices |                                             | Transferred to                   | Number | Percent | Avg spell in<br>JOBS/<br>Choices |
| Not Receiving Care                    | 102303 | 92.0%   | 4.44                             | 4.43                                        | Not Receiving Care               | 82471  | 74.1%   | 4.30                             |
| CPS/ former CPS                       | 3639   | 3.3%    | 4.83                             |                                             | Transitional                     | 20980  | 18.9%   | 5.09                             |
| Transitional                          | 2056   | 1.8%    | 3.44                             |                                             | Food Stamps                      | 3005   | 2.7%    | 3.85                             |
| Food Stamps                           | 1834   | 1.6%    | 4.31                             |                                             | CPS/ former CPS                  | 2739   | 2.5%    | 3.79                             |
| Income-Eligible                       | 1058   | 1.0%    | 4.06                             |                                             | Income-Eligible                  | 1914   | 1.7%    | 4.47                             |
| AFDC/ Other                           | 348    | 0.3%    | 4.41                             |                                             | AFDC/ Other                      | 129    | 0.1%    | 3.20                             |

N=111238

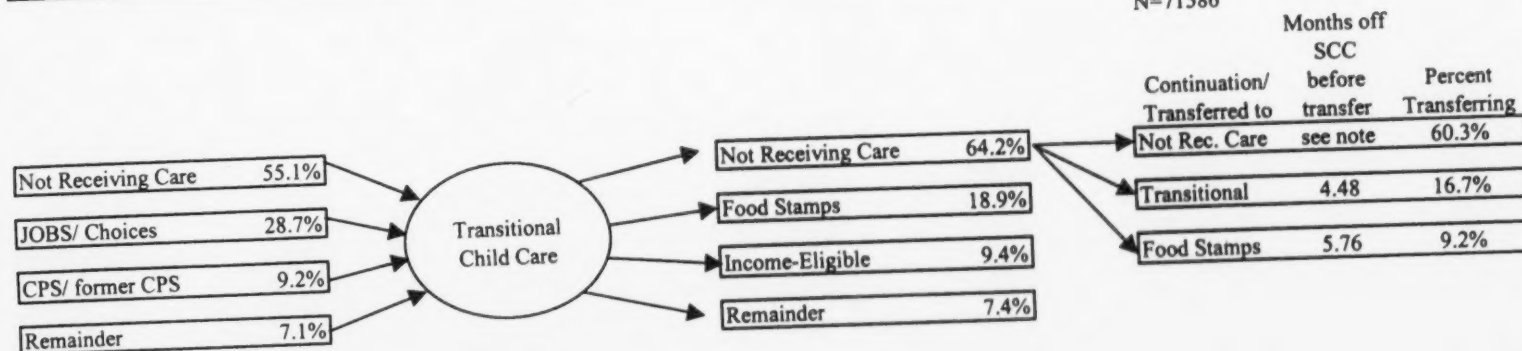


NOTE: Of those transferring to 'Not Receiving Care' status, a portion remained without care through the end of the study period, and thus the length of their spells without care cannot be computed.

**Table B-17**  
**Transition Analysis for Transitional**

| Transition Analysis for Transitional |        |         |                              |                                         |                                  |        |                              |
|--------------------------------------|--------|---------|------------------------------|-----------------------------------------|----------------------------------|--------|------------------------------|
| Eligibility group transferred from   |        |         |                              | Overall avg<br>spell in<br>Transitional | Eligibility group transferred to |        |                              |
| Transferred from                     | Number | Percent | Avg spell in<br>Transitional |                                         | Transferred to                   | Number | Avg spell in<br>Transitional |
| Not Receiving Care                   | 39417  | 55.1%   | 5.46                         | 5.60                                    | Not Receiving Care               | 45988  | 5.16                         |
| JOBS/ Choices                        | 20542  | 28.7%   | 6.18                         |                                         | Food Stamps                      | 13525  | 6.88                         |
| CPS/ former CPS                      | 6577   | 9.2%    | 5.66                         |                                         | Income-Eligible                  | 6760   | 7.27                         |
| Food Stamps                          | 3647   | 5.1%    | 4.33                         |                                         | CPS/ former CPS                  | 3111   | 4.57                         |
| Income-Eligible                      | 1248   | 1.7%    | 4.04                         |                                         | JOBS/ Choices                    | 2055   | 3.11                         |
| AFDC/ Other                          | 155    | 0.2%    | 5.15                         |                                         | AFDC/ Other                      | 147    | 6.82                         |
|                                      |        |         |                              |                                         |                                  |        |                              |

N=71586



NOTE: Of those transferring to 'Not Receiving Care' status, a portion remained without care through the end of the study period, and thus the length of their spells without care cannot be computed.



**Table B-18**  
**Transition Analysis for Not Receiving Care**

| Transition Analysis for Not Receiving Care |        |         |                                          |                                                  |                                  |        |         |                                          |
|--------------------------------------------|--------|---------|------------------------------------------|--------------------------------------------------|----------------------------------|--------|---------|------------------------------------------|
| Eligibility group transferred from         |        |         |                                          | Overall avg<br>spell in Not<br>Receiving<br>Care | Eligibility group transferred to |        |         |                                          |
| Transferred from                           | Number | Percent | Avg spell in<br>Not<br>Receiving<br>Care |                                                  | Transferred to                   | Number | Percent | Avg spell in<br>Not<br>Receiving<br>Care |
| JOBS/ Choices                              | 32962  | 33.9%   | 6.51                                     | 5.79                                             | JOBS/ Choices                    | 31124  | 32.0%   | 6.56                                     |
| Food Stamps                                | 19312  | 19.9%   | 5.39                                     |                                                  | Food Stamps                      | 21117  | 21.7%   | 5.18                                     |
| Transitional                               | 18275  | 18.8%   | 5.84                                     |                                                  | Income-Eligible                  | 18283  | 18.8%   | 4.70                                     |
| Income-Eligible                            | 16207  | 16.7%   | 4.58                                     |                                                  | Transitional                     | 16631  | 17.1%   | 6.16                                     |
| CPS/ former CPS                            | 8802   | 9.1%    | 6.25                                     |                                                  | CPS/ former CPS                  | 8649   | 8.9%    | 6.36                                     |
| AFDC/ Other                                | 1641   | 1.7%    | 5.18                                     |                                                  | AFDC/ Other                      | 1395   | 1.4%    | 4.64                                     |

N=97199

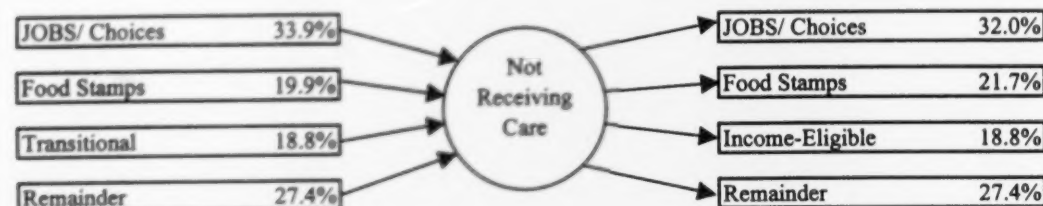


Table B-19

## Labor Market and Welfare Participation by Client Group

| Characteristics                             | All Cases | CPS and<br>Former CPS | Food<br>Stamps | Income-<br>Eligible | JOBS/<br>Choices | Transitional | Other [a] | Multiple Elig.<br>Types |
|---------------------------------------------|-----------|-----------------------|----------------|---------------------|------------------|--------------|-----------|-------------------------|
| Number of Case Quarters [b]                 |           |                       |                |                     |                  |              |           |                         |
| 1 year prior to receipt of child care       | 147,259   | 7,387                 | 12,989         | 20,671              | 25,858           | 6,961        | 2,277     | 71,116                  |
| While receiving child care                  | 171,149   | 6,572                 | 14,351         | 20,696              | 22,995           | 5,845        | 1,653     | 99,035                  |
| 1 year after termination                    | 132,150   | 7,693                 | 12,345         | 15,201              | 26,328           | 6,663        | 1,495     | 62,425                  |
| Employment Rate (% of time employed)        |           |                       |                |                     |                  |              |           |                         |
| 1 year prior to receipt of child care       | 55.9%     | 45.2%                 | 72.4%          | 67.7%               | 26.4%            | 59.0%        | 56.7%     | 60.9%                   |
| While receiving child care                  | 69.3%     | 50.4%                 | 82.8%          | 77.8%               | 27.1%            | 90.3%        | 63.0%     | 75.5%                   |
| 1 year after termination                    | 62.1%     | 46.7%                 | 72.5%          | 72.1%               | 39.9%            | 71.5%        | 59.4%     | 68.0%                   |
| Avg. Quarterly Earnings (of those employed) |           |                       |                |                     |                  |              |           |                         |
| 1 year prior to receipt of child care       | \$ 1,887  | \$ 2,556              | \$ 2,049       | \$ 2,749            | \$ 928           | \$ 1,358     | \$ 2,746  | \$ 1,797                |
| While receiving child care                  | \$ 2,205  | \$ 2,530              | \$ 2,376       | \$ 3,114            | \$ 1,399         | \$ 2,147     | \$ 2,676  | \$ 2,165                |
| 1 year after termination                    | \$ 2,491  | \$ 2,932              | \$ 2,451       | \$ 3,317            | \$ 1,014         | \$ 2,289     | \$ 3,310  | \$ 2,426                |
| AFDC (% of time on welfare)                 |           |                       |                |                     |                  |              |           |                         |
| 1 year prior to receipt of child care       | 40.9%     | 41.3%                 | 9.8%           | 6.6%                | 69.3%            | 73.4%        | 22.0%     | 44.1%                   |
| While receiving child care                  | 36.4%     | 55.2%                 | 3.4%           | 3.7%                | 96.3%            | 20.8%        | 36.4%     | 33.9%                   |
| 1 year after termination                    | 35.0%     | 40.6%                 | 9.3%           | 8.0%                | 66.9%            | 29.8%        | 30.8%     | 33.7%                   |

[a] Includes AFDC/TANF, Special Projects, Teen Parents not elsewhere classified, SSI, and ISD Pre-Kindergarten.

[b] Includes families meeting these criteria across all four years of the study.

Table B-20

## Percent of Months During Which Children of Eligible Applicants Received Care

| Fiscal Year |                        | All Cases | CPS and<br>Former CPS | Food<br>Stamps | Income-<br>Eligible | JOBS/<br>Choices | Transitional | Other [a] |
|-------------|------------------------|-----------|-----------------------|----------------|---------------------|------------------|--------------|-----------|
| 1994        | SCC Actually Delivered | 744,145   | 91,854                | 206,210        | 139,400             | 183,735          | 116,619      | 6,327     |
|             | Eligible for SCC       | 1,278,325 | 167,878               | 408,024        | 298,931             | 249,142          | 144,426      | 9,924     |
|             | Delivery Rate          | 58.2%     | 54.7%                 | 50.5%          | 46.6%               | 73.7%            | 80.7%        | 63.8%     |
| 1995        | SCC Actually Delivered | 854,048   | 97,290                | 236,908        | 182,023             | 180,670          | 144,416      | 12,741    |
|             | Eligible for SCC       | 1,367,834 | 161,234               | 441,747        | 351,117             | 228,743          | 168,420      | 16,573    |
|             | Delivery Rate          | 62.4%     | 60.3%                 | 53.6%          | 51.8%               | 79.0%            | 85.7%        | 76.9%     |
| 1996        | SCC Actually Delivered | 849,531   | 75,816                | 230,019        | 221,014             | 172,949          | 135,066      | 14,667    |
|             | Eligible for SCC       | 1,391,239 | 137,699               | 441,857        | 426,910             | 210,868          | 154,709      | 19,196    |
|             | Delivery Rate          | 61.1%     | 55.1%                 | 52.1%          | 51.8%               | 82.0%            | 87.3%        | 76.4%     |
| 1997        | SCC Actually Delivered | 660,252   | 54,474                | 180,169        | 210,596             | 104,335          | 100,719      | 9,959     |
|             | Eligible for SCC       | 1,061,374 | 93,183                | 316,137        | 388,331             | 131,520          | 117,648      | 14,555    |
|             | Delivery Rate          | 62.2%     | 58.5%                 | 57.0%          | 54.2%               | 79.3%            | 85.6%        | 68.4%     |

[a] Includes AFDC/TANF, Special Projects, Teen Parents not elsewhere classified, SSI, and ISD Pre-Kindergarten.

**Table B-21**  
**Characteristics of Eligible Families and Children Who Applied For But Are Not Receiving Subsidized Child Care Services**  
**(October 1996-June 1997) By Client Group**

| Characteristics                                               | All Cases          |                | CPS and Former CPS |                | Food Stamps        |                | Income-Eligible    |                | JOBS/Chukos        |                | Transitional       |                | Other (b)          |                |
|---------------------------------------------------------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|
|                                                               | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care |
| <b>Family-level Characteristics</b>                           |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |
| Total Months                                                  | 253,107            | 201,330        | 22,903             | 16,744         | 78,798             | 58,972         | 118,600            | 62,928         | 18,549             | 29,958         | 10,786             | 31,772         | 3,471              | 956            |
| Distribution of Total Months                                  | 100.0%             | 100.0%         | 9.0%               | 8.3%           | 31.1%              | 29.3%          | 46.9%              | 31.3%          | 7.3%               | 14.9%          | 4.3%               | 15.8%          | 1.4%               | 0.5%           |
| Number of Children Waiting to Receive Care                    |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |
| 0                                                             | 0.0%               | 91.4%          | 0.0%               | 92.8%          | 0.0%               | 90.4%          | 0.0%               | 88.7%          | 0.0%               | 93.2%          | 0.0%               | 94.2%          | 0.0%               | 90.8%          |
| 1                                                             | 58.1%              | 7.5%           | 55.1%              | 5.9%           | 51.1%              | 8.5%           | 61.7%              | 10.0%          | 64.6%              | 3.9%           | 58.9%              | 4.9%           | 80.9%              | 8.5%           |
| 2                                                             | 29.0%              | 0.9%           | 28.8%              | 1.0%           | 32.0%              | 0.9%           | 28.2%              | 1.1%           | 25.5%              | 0.7%           | 27.4%              | 0.7%           | 14.0%              | 0.6%           |
| 3 or more                                                     | 12.9%              | 0.2%           | 16.2%              | 0.3%           | 16.9%              | 0.2%           | 10.1%              | 0.2%           | 9.9%               | 0.2%           | 13.7%              | 0.2%           | 5.1%               | 0.1%           |
| Number of Children Receiving Care                             |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |
| 0                                                             | 90.2%              | 0.0%           | 92.1%              | 0.0%           | 89.4%              | 0.0%           | 91.7%              | 0.0%           | 88.0%              | 0.0%           | 77.6%              | 0.0%           | 96.2%              | 0.0%           |
| 1                                                             | 6.0%               | 5.0%           | 4.3%               | 4.6%           | 6.3%               | 5.3%           | 5.3%               | 6.7%           | 7.5%               | 3.0%           | 13.1%              | 2.9%           | 3.3%               | 8.9%           |
| 2                                                             | 2.8%               | 61.7%          | 2.5%               | 58.6%          | 3.1%               | 59.1%          | 2.3%               | 64.8%          | 3.4%               | 64.4%          | 6.7%               | 58.9%          | 0.5%               | 87.1%          |
| 3 or more                                                     | 1.1%               | 33.3%          | 1.1%               | 36.8%          | 1.3%               | 35.6%          | 0.8%               | 28.5%          | 1.2%               | 32.7%          | 2.6%               | 38.2%          | 0.0%               | 4.0%           |
| Mean Age of Caretakers                                        | 26.4               | 27.7           | 26.1               | 29.3           | 26.8               | 28.3           | 26.5               | 28.6           | 25.1               | 25.4           | 26.8               | 26.5           | 22.7               | 21.6           |
| Distribution of Caretakers                                    |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |
| <17                                                           | 3.3%               | 1.0%           | 1.7%               | 0.9%           | 1.0%               | 0.3%           | 4.7%               | 1.2%           | 4.7%               | 2.1%           | 0.8%               | 0.5%           | 17.7%              | 26.7%          |
| 18-24                                                         | 28.9%              | 25.8%          | 37.3%              | 25.9%          | 28.9%              | 20.2%          | 25.4%              | 19.6%          | 38.8%              | 41.2%          | 33.3%              | 33.1%          | 29.3%              | 41.9%          |
| 25-34                                                         | 32.7%              | 48.7%          | 28.1%              | 30.1%          | 36.5%              | 53.7%          | 30.7%              | 56.3%          | 31.0%              | 35.7%          | 43.7%              | 47.5%          | 16.8%              | 13.7%          |
| 35-44                                                         | 7.2%               | 9.3%           | 6.2%               | 8.7%           | 7.2%               | 9.9%           | 7.5%               | 11.7%          | 7.1%               | 6.4%           | 7.6%               | 6.4%           | 5.0%               | 4.3%           |
| 45+                                                           | 1.1%               | 1.2%           | 2.4%               | 7.0%           | 0.8%               | 0.7%           | 1.1%               | 1.1%           | 0.6%               | 0.4%           | 0.7%               | 0.3%           | 1.0%               | 2.2%           |
| Marital Status of Case Head                                   |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |
| Married                                                       | 8.4%               | 7.4%           | 4.4%               | 9.3%           | 9.9%               | 9.4%           | 9.4%               | 9.2%           | 2.7%               | 2.9%           | 4.5%               | 3.4%           | 4.9%               | 4.6%           |
| Single                                                        | 38.1%              | 41.5%          | 46.2%              | 36.2%          | 37.9%              | 37.7%          | 37.4%              | 42.1%          | 28.6%              | 41.9%          | 44.8%              | 48.7%          | 44.0%              | 65.2%          |
| Separated/Divorced                                            | 13.8%              | 15.6%          | 12.5%              | 8.5%           | 16.1%              | 18.7%          | 14.5%              | 21.7%          | 4.4%               | 5.8%           | 11.7%              | 11.2%          | 3.8%               | 4.9%           |
| Unknown/Other                                                 | 39.8%              | 35.5%          | 37.0%              | 45.9%          | 36.1%              | 34.2%          | 38.7%              | 26.9%          | 64.3%              | 49.4%          | 39.0%              | 36.7%          | 47.2%              | 25.3%          |
| Mean of Monthly Gross Household Income at Initial Eligibility | \$ 849             | \$ 815         | \$ 632             | \$ 699         | \$ 829             | \$ 807         | \$ 936             | \$ 903         | \$ 684             | \$ 754         | \$ 788             | \$ 777         | \$ 814             | \$ 680         |
| Distribution of Income at Eligibility                         |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |
| \$0                                                           | 79.3%              | 76.1%          | 80.9%              | 86.4%          | 77.0%              | 70.3%          | 77.4%              | 66.8%          | 95.6%              | 92.8%          | 83.8%              | 83.8%          | 89.0%              | 84.2%          |
| \$0.01-\$575.00                                               | 5.1%               | 5.7%           | 8.6%               | 5.2%           | 5.9%               | 7.1%           | 4.3%               | 6.3%           | 1.9%               | 3.1%           | 5.3%               | 4.8%           | 3.9%               | 7.4%           |
| \$575.01-\$800.00                                             | 5.4%               | 7.0%           | 5.6%               | 3.9%           | 7.0%               | 9.8%           | 5.0%               | 8.3%           | 1.3%               | 2.3%           | 4.7%               | 5.8%           | 2.4%               | 1.9%           |
| \$800.01-\$1050.00                                            | 5.1%               | 5.7%           | 3.2%               | 2.7%           | 5.9%               | 7.2%           | 5.7%               | 8.4%           | 0.8%               | 1.1%           | 3.5%               | 3.6%           | 1.6%               | 4.3%           |
| \$1050.01+                                                    | 5.2%               | 5.4%           | 1.7%               | 1.7%           | 4.2%               | 5.5%           | 7.5%               | 10.2%          | 0.3%               | 0.6%           | 2.7%               | 2.0%           | 3.1%               | 2.2%           |
| CCMS Region of Residence                                      |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |
| Amarillo (01)                                                 | 1.0%               | 2.4%           | 1.0%               | 3.1%           | 1.3%               | 2.9%           | 1.0%               | 2.6%           | 1.0%               | 1.5%           | 0.9%               | 1.3%           | 0.2%               | 0.4%           |
| Lubbock (02)                                                  | 0.8%               | 2.4%           | 0.8%               | 3.5%           | 0.9%               | 2.6%           | 0.7%               | 2.3%           | 1.0%               | 2.2%           | 0.9%               | 1.6%           | 0.1%               | 1.0%           |
| Odessa (03)                                                   | 4.5%               | 2.3%           | 5.0%               | 3.1%           | 5.5%               | 3.1%           | 4.3%               | 2.0%           | 1.3%               | 1.6%           | 5.1%               | 1.9%           | 2.7%               | 2.9%           |
| El Paso (04)                                                  | 7.0%               | 6.4%           | 5.1%               | 6.6%           | 7.1%               | 10.4%          | 8.0%               | 3.8%           | 6.4%               | 5.7%           | 3.0%               | 4.8%           | 2.0%               | 0.6%           |
| San Angelo (05)                                               | 0.9%               | 0.7%           | 1.0%               | 0.6%           | 1.0%               | 1.0%           | 0.9%               | 0.7%           | 0.5%               | 0.4%           | 0.4%               | 0.4%           | 0.4%               | 0.0%           |
| Wichita Falls (06)                                            | 0.8%               | 1.2%           | 1.1%               | 1.6%           | 0.9%               | 1.6%           | 0.7%               | 1.4%           | 0.4%               | 0.5%           | 1.3%               | 0.7%           | 0.3%               | 0.5%           |
| Sweetwater (07)                                               | 0.9%               | 1.6%           | 1.0%               | 2.2%           | 0.9%               | 1.6%           | 0.8%               | 1.8%           | 0.7%               | 0.7%           | 1.9%               | 1.5%           | 0.9%               | 2.3%           |
| Dallas (08)                                                   | 8.0%               | 12.4%          | 5.8%               | 10.8%          | 5.5%               | 8.5%           | 7.5%               | 11.7%          | 16.0%              | 15.1%          | 16.5%              | 19.1%          | 25.3%              | 21.0%          |
| Fort Worth (09)                                               | 9.8%               | 6.0%           | 7.0%               | 7.7%           | 10.2%              | 4.9%           | 11.2%              | 6.1%           | 5.0%               | 6.2%           | 4.7%               | 6.9%           | 15.0%              | 7.7%           |
| Denton (10)                                                   | 4.1%               | 2.5%           | 4.0%               | 3.0%           | 3.1%               | 2.4%           | 5.2%               | 2.4%           | 2.3%               | 2.5%           | 3.0%               | 2.6%           | 1.1%               | 1.3%           |

Table B-21 (cont.)

| Characteristics                        | All Cases          |                | CPS and Former CPS |                | Food Stamps        |                | Income-Eligible    |                | JOBS/Chosen        |                | Transitional       |                | Other (b)          |                |
|----------------------------------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|
|                                        | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care |
| <b>Family-level Characteristics</b>    |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |
| Plano (11)                             | 1.4%               | 2.2%           | 1.6%               | 1.3%           | 1.2%               | 2.0%           | 1.2%               | 2.5%           | 2.8%               | 1.9%           | 2.5%               | 2.6%           | 0.7%               | 0.8%           |
| Bryan (12)                             | 1.1%               | 1.1%           | 0.8%               | 0.5%           | 1.5%               | 1.0%           | 0.9%               | 0.9%           | 0.5%               | 1.0%           | 1.1%               | 1.7%           | 1.1%               | 3.0%           |
| San Saba (13)                          | 0.9%               | 1.5%           | 1.5%               | 3.0%           | 0.9%               | 1.9%           | 0.7%               | 1.3%           | 1.3%               | 0.8%           | 1.6%               | 1.3%           | 0.4%               | 1.6%           |
| Austin (14)                            | 4.4%               | 3.3%           | 4.7%               | 3.2%           | 3.2%               | 2.8%           | 4.5%               | 4.0%           | 5.2%               | 2.7%           | 7.1%               | 3.6%           | 15.2%              | 5.3%           |
| Waco (15)                              | 2.3%               | 1.7%           | 2.6%               | 2.2%           | 3.1%               | 1.8%           | 1.8%               | 0.9%           | 1.9%               | 2.7%           | 1.3%               | 1.6%           | 3.6%               | 2.9%           |
| Athens (16)                            | 3.4%               | 2.8%           | 3.6%               | 3.0%           | 4.0%               | 2.4%           | 2.9%               | 2.5%           | 3.4%               | 3.0%           | 5.1%               | 3.8%           | 0.7%               | 2.3%           |
| Pharr (18)                             | 5.3%               | 7.0%           | 4.2%               | 3.8%           | 6.4%               | 10.3%          | 3.4%               | 5.5%           | 14.7%              | 8.5%           | 4.9%               | 3.8%           | 5.0%               | 6.4%           |
| Corpus Christi (19)                    | 4.0%               | 3.7%           | 5.5%               | 2.5%           | 3.4%               | 3.7%           | 3.6%               | 3.4%           | 7.3%               | 5.7%           | 4.2%               | 3.0%           | 1.9%               | 4.3%           |
| Victoria (20)                          | 0.3%               | 0.9%           | 0.3%               | 1.0%           | 0.2%               | 1.3%           | 0.2%               | 0.9%           | 0.6%               | 0.7%           | 0.5%               | 0.6%           | 0.4%               | 0.8%           |
| Laredo (21)                            | 1.9%               | 1.6%           | 2.0%               | 1.6%           | 2.7%               | 2.9%           | 1.2%               | 1.4%           | 2.2%               | 0.4%           | 2.0%               | 0.9%           | 3.4%               | 2.3%           |
| San Antonio (22)                       | 14.9%              | 12.6%          | 11.6%              | 8.2%           | 17.3%              | 14.4%          | 14.9%              | 14.5%          | 12.5%              | 11.3%          | 12.8%              | 9.1%           | 5.5%               | 7.0%           |
| Uvalde (23)                            | 0.5%               | 1.2%           | 0.7%               | 1.5%           | 0.7%               | 1.8%           | 0.4%               | 1.2%           | 0.3%               | 0.4%           | 0.5%               | 0.6%           | 0.1%               | 0.5%           |
| Jasper (24)                            | 1.1%               | 1.5%           | 1.2%               | 2.0%           | 1.2%               | 2.0%           | 1.1%               | 1.3%           | 0.6%               | 0.9%           | 1.0%               | 1.2%           | 0.4%               | 2.7%           |
| Beaumont (25)                          | 2.3%               | 2.0%           | 4.1%               | 2.4%           | 2.8%               | 2.5%           | 1.5%               | 0.8%           | 3.5%               | 2.9%           | 2.1%               | 2.1%           | 5.3%               | 3.9%           |
| Houston (26)                           | 12.1%              | 15.0%          | 13.8%              | 16.4%          | 10.1%              | 7.2%           | 14.3%              | 18.6%          | 6.3%               | 17.4%          | 10.7%              | 19.3%          | 5.8%               | 13.4%          |
| Galveston (27)                         | 6.3%               | 4.2%           | 10.3%              | 5.4%           | 4.8%               | 3.0%           | 7.3%               | 5.4%           | 2.5%               | 3.3%           | 4.9%               | 4.2%           | 2.7%               | 4.8%           |
| <b>Child-level Characteristics</b>     |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |
|                                        | Number             | Percent        |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |
| Total Months                           | 401,122            | 660,252        | 38,709             | 54,474         | 135,968            | 180,169        | 177,735            | 210,596        | 27,185             | 104,335        | 16,929             | 100,719        | 4,596              | 9,959          |
| Distribution of Months                 | 100.0%             | 100.0%         | 9.7%               | 8.3%           | 33.9%              | 27.3%          | 44.3%              | 31.9%          | 6.8%               | 15.8%          | 4.2%               | 15.3%          | 1.1%               | 1.5%           |
| <b>Race/Ethnicity</b>                  |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |
| Anglo                                  | 18.1%              | 15.8%          | 16.0%              | 16.0%          | 17.4%              | 15.0%          | 20.3%              | 17.8%          | 13.7%              | 15.4%          | 15.2%              | 13.8%          | 8.3%               | 13.1%          |
| Black                                  | 27.6%              | 29.9%          | 35.8%              | 32.0%          | 28.7%              | 25.2%          | 26.0%              | 30.2%          | 22.2%              | 31.4%          | 25.9%              | 34.5%          | 29.2%              | 37.0%          |
| Hispanic                               | 35.4%              | 35.6%          | 30.4%              | 25.6%          | 38.4%              | 45.0%          | 33.1%              | 33.6%          | 45.8%              | 37.3%          | 34.7%              | 27.6%          | 24.0%              | 25.0%          |
| Unknowns/Other                         | 18.8%              | 18.6%          | 17.8%              | 26.3%          | 15.4%              | 14.8%          | 20.6%              | 18.4%          | 18.3%              | 15.9%          | 24.2%              | 24.1%          | 38.5%              | 25.0%          |
| <b>Gender</b>                          |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |
| Male                                   | 50.4%              | 49.5%          | 50.6%              | 48.9%          | 50.6%              | 49.5%          | 50.3%              | 49.6%          | 49.2%              | 49.7%          | 50.7%              | 49.6%          | 48.9%              | 50.2%          |
| Female                                 | 48.8%              | 48.4%          | 48.6%              | 47.8%          | 48.5%              | 48.2%          | 49.0%              | 48.4%          | 49.5%              | 48.2%          | 48.2%              | 49.1%          | 50.7%              | 48.5%          |
| <b>Mean Age of Children (years)</b>    |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |
|                                        | 4.1                | 4.2            | 3.7                | 3.9            | 4.2                | 4.6            | 4.1                | 4.3            | 4.1                | 3.4            | 4.9                | 4.1            | 3.0                | 2.7            |
| <b>Distribution of Age of Children</b> |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |
| 0-2                                    | 40.1%              | 32.5%          | 42.5%              | 35.0%          | 37.1%              | 25.9%          | 43.3%              | 30.7%          | 35.9%              | 43.2%          | 27.9%              | 34.3%          | 53.4%              | 45.6%          |
| 3-5                                    | 31.2%              | 37.0%          | 32.9%              | 37.1%          | 32.2%              | 37.6%          | 29.7%              | 36.3%          | 33.0%              | 35.9%          | 31.7%              | 36.9%          | 34.6%              | 51.6%          |
| 6-13                                   | 27.3%              | 28.4%          | 23.4%              | 24.6%          | 29.4%              | 34.2%          | 25.5%              | 30.9%          | 29.5%              | 18.8%          | 38.6%              | 27.5%          | 11.0%              | 1.4%           |
| <b>Special Needs</b>                   |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |                    |                |
| None                                   | 98.3%              | 97.8%          | 98.5%              | 98.6%          | 98.8%              | 99.1%          | 97.7%              | 95.4%          | 99.2%              | 99.2%          | 98.7%              | 99.0%          | 97.0%              | 96.4%          |
| Physically Handicapped                 | 1.1%               | 1.5%           | 1.0%               | 0.8%           | 0.7%               | 0.6%           | 1.5%               | 3.3%           | 0.6%               | 0.6%           | 0.9%               | 0.7%           | 2.2%               | 2.8%           |
| Emotionally Disturbed                  | 0.2%               | 0.3%           | 0.2%               | 0.3%           | 0.2%               | 0.2%           | 0.3%               | 0.7%           | 0.0%               | 0.1%           | 0.1%               | 0.1%           | 0.1%               | 0.6%           |
| Mentally Retarded                      | 0.2%               | 0.2%           | 0.1%               | 0.1%           | 0.1%               | 0.0%           | 0.3%               | 0.4%           | 0.1%               | 0.1%           | 0.1%               | 0.1%           | 0.6%               | 0.3%           |
| Other                                  | 0.2%               | 0.1%           | 0.3%               | 0.1%           | 0.2%               | 0.1%           | 0.2%               | 0.2%           | 0.0%               | 0.0%           | 0.2%               | 0.1%           | 0.2%               | 0.0%           |

[a] Includes AFDC/TANF, Special Projects, Teen Parents not elsewhere classified, SSI, and ISD Pre-Kindergarten.

Table B-22

Labor Market and Welfare Participation of Eligible Families Who Applied For But Are Not Receiving Subsidized Child Care Services (Oct. 96- June 97)

| Outcomes                                          | All Cases          |                | CPS and Former CPS |                | Food Stamps        |                | Income-Eligible    |                | JOBS/Choices       |                | Transitional       |                | Other [a]          |                |
|---------------------------------------------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|--------------------|----------------|
|                                                   | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care | Not Receiving Care | Receiving Care |
| Number of Months                                  | 243,026            | 197,857        | 21,634             | 14,683         | 76,253             | 58,503         | 113,101            | 62,354         | 18,208             | 29,761         | 10,647             | 31,645         | 3,183              | 911            |
| Employment Rate<br>(% of time employed)           | 73.2%              | 77.6%          | 59.7%              | 59.9%          | 78.0%              | 86.2%          | 77.9%              | 85.9%          | 37.8%              | 40.0%          | 82.0%              | 89.7%          | 58.4%              | 47.7%          |
| Average Quarterly Earnings<br>(of those employed) | \$ 2,483           | \$ 2,743       | \$ 1,625           | \$ 2,316       | \$ 2,271           | \$ 2,764       | \$ 2,996           | \$ 3,661       | \$ 1,329           | \$ 1,325       | \$ 2,242           | \$ 2,448       | \$ 2,585           | \$ 1,909       |
| AFDC<br>(% time on welfare)                       | 18.0%              | 20.1%          | 62.8%              | 58.5%          | 9.8%               | 3.5%           | 5.6%               | 3.3%           | 73.3%              | 85.0%          | 16.2%              | 4.0%           | 36.7%              | 62.2%          |

[a] Includes AFDC/TANF, Special Projects, Teen Parents not elsewhere classified, SSI, and ISD Pre-Kindergarten.